

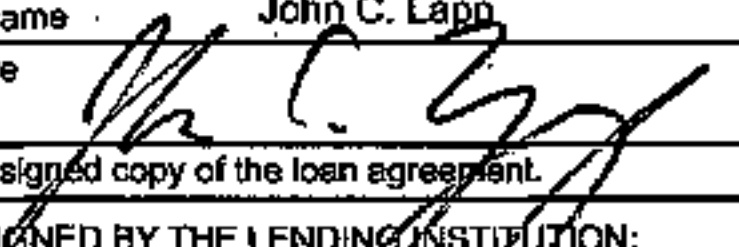
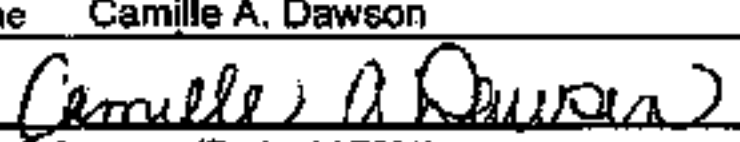
# SCHEDULE C-1

## LOANS AND LINES OF CREDIT FROM LENDING INSTITUTIONS

Supplementary for  
Information found on  
Page 717 of Schedule C

Federal Election Commission, Washington, D.C. 20463

FEC MAIL  
OPERATIONS CENTER

Name of Committee (in Full) <b>Democratic Congressional Campaign Committee</b>		FEC IDENTIFICATION NUMBER <b>15 C00000935</b>	
LENDING INSTITUTION (LENDER) Full Name <b>Bank of America, NA</b>		Amount of Loan <b>11500000.00</b>	Interest Rate (APR) <b>BBA LIBOR+3.00 %</b>
Mailing Address <b>730 15th Street, NW</b>		Date Incurred or Established <b>12 19 2006</b>	
City <b>Washington</b>	State Zip Code <b>DC 20005</b>	Date Due <b>20080331</b>	
A. Has loan been restructured? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes If yes, date originally incurred: <span style="border: 1px solid black; padding: 2px;">  </span>			
B. If line of credit, Amount of this Draw: <b>11500000.00</b>		Total Outstanding balance: <b>10000000.00</b>	
C. Are other parties secondarily liable for the debt incurred? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Endorsers and guarantors must be reported on Sch. C)			
D. Are any of the following pledged as collateral for the loan: real estate, personal property, goods, negotiable instruments, certificates of deposit, chattel papers, stocks, accounts receivable, cash on deposit, or other similar traditional collateral? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes If yes, specify: <u>All current and future assets</u>		What is the value of this collateral? <b>11500000.00</b> Does the lender have a perfected security interest in it? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes	
E. Are any future contributions or future receipts of interest income, pledged as collateral for the loan? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes If yes, specify: <u>Contributions Receivable</u>		What is the estimated value? <b>11500000.00</b>	
A depository account must be established pursuant to 11 CFR 100.82 and 100.142. Date account established: <span style="border: 1px solid black; padding: 2px;">01 02 1982</span>		Location of account <b>Bank of America, NA</b> Address: <b>730 15th Street, NW</b> City, State, Zip: <b>Washington DC 20005</b>	
F. If neither of the types of collateral described above was pledged for this loan, or if the amount pledged does not equal or exceed the loan amount, state the basis upon which this loan was made and the basis on which it assures repayment.			
G. COMMITTEE TREASURER Typed Name <b>John C. Lapp</b> Signature 		DATE <span style="border: 1px solid black; padding: 2px;">11 27 2006</span>	
H. Attach a signed copy of the loan agreement.			
I. TO BE SIGNED BY THE LENDING INSTITUTION: I. To the best of this institution's knowledge, the terms of the loan and other information regarding the extension of this loan are accurate as stated above. II. The loan was made on terms and conditions (including interest rate) no more favorable at the time than those imposed for similar extensions of credit to other borrowers of comparable credit worthiness. III. This institution is aware of the requirement that a loan must be made on a basis which assures repayment, and has complied with the requirements set forth at 11 CFR 100.82 and 100.142 in making this loan.			
AUTHORIZED REPRESENTATIVE Typed Name <b>Camille A. Dawson</b> Signature 		DATE <span style="border: 1px solid black; padding: 2px;">11 30 2006</span> Title <b>Vice President</b>	

PROMISSORY NOTE

\$11,500,000

Washington, D.C.  
October 19, 2006

FOR VALUE RECEIVED, DEMOCRATIC CONGRESSIONAL CAMPAIGN COMMITTEE, INC., a District of Columbia nonprofit organization (the "Borrower"), promises to pay to the order of BANK OF AMERICA, N.A., a national banking association (the "Lender" or the "Bank"), the principal sum of ELEVEN MILLION FIVE HUNDRED THOUSAND DOLLARS (\$11,500,000.00) (the "Principal Sum") or so much thereof as has been or may be advanced or re-advanced to or for the account of the Borrower pursuant to the terms and conditions of the Financing Agreement (as hereinafter defined), together with interest thereon at the rate hereinafter provided, in accordance with the following:

1. Interest.

Interest on the unpaid Principal Sum shall accrue at a rate per year equal to the BBA LIBOR Daily Floating Rate plus three percentage points (3%). The "BBA LIBOR Daily Floating Rate" is a fluctuating rate of interest (rounded upwards, if necessary to the nearest 1/100 of 1%) equal to the rate per annum equal to the British Bankers Association LIBOR Rate ("BBA LIBOR"), as published by Reuters (or other commercially available source providing quotations of BBA LIBOR as selected by the Bank from time to time) at approximately 11:00 a.m. London time two (2) London Banking Days before the commencement of the interest period, for U.S. Dollar deposits (for delivery on the first day of such interest period) with a one month term, as adjusted from time to time in the Bank's sole discretion for reserve requirements, deposit insurance assessment rates and other regulatory costs. If such rate is not available at such time for any reason, then the rate for that interest period will be determined by such alternate method as reasonably selected by the Bank. A "London Banking Day" is a day on which banks in London are open for business and dealing in offshore dollars. All interest payable under the terms of this Note shall be calculated on the basis of a 360-day year and the actual number of days elapsed.

2. Payments and Maturity.

The unpaid Principal Sum, together with interest thereon at the rate provided above, shall be payable as follows:

(a) Interest only on the unpaid Principal Sum shall be due and payable monthly, commencing on October 31, 2006, and on the last day of each month thereafter through and including March 31, 2007;

(b) Commencing on April 30, 2007, and on the last day of each month thereafter, the principal balance as of March 31, 2007 shall be repaid in equal payments

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of 1/12<sup>th</sup> of such amount, together with all interest accrued and outstanding on the outstanding principal balance; and

(c) Unless sooner paid, the unpaid Principal Sum, together with interest accrued and unpaid thereon, shall be due and payable in full on March 31, 2008.

Borrower hereby authorizes Lender to automatically deduct from Borrower's account numbered 002680718 the amount of each payment of principal (including without limitation the principal payment due on the final maturity date) and/or interest on the dates such payments become due. If the funds in the account are insufficient to cover any payment, Lender shall not be obligated to advance funds to cover the payment. At any time and for any reason, Borrower or Lender may voluntarily terminate automatic payments as provided in this paragraph.

3. Default Interest.

Upon the occurrence of an Event of Default (as hereinafter defined), the unpaid Principal Sum shall bear interest thereafter at a rate four percent (4%) per annum in excess of the fluctuating prime rate of interest established and declared by the Lender from time to time until such Event of Default is cured.

4. Late Charges.

If the Borrower shall fail to make any payment under the terms of this Note within fifteen (15) days after the date such payment is due, the Borrower shall pay to the Lender on demand a late charge equal to five percent (5%) of such payment.

5. Application and Place of Payments.

All payments, made on account of this Note shall be applied first to the payment of any late charge then due hereunder, second to the payment of accrued and unpaid interest then due hereunder, and the remainder, if any, shall be applied to the unpaid Principal Sum, with application first made to all principal installments then due hereunder, next to the outstanding principal balance due and owing at maturity and thereafter to the principal payments due in the inverse order of maturities. Notwithstanding any provision contained herein to the contrary, any portion of a permitted partial prepayment applied to the unpaid Principal Sum shall be applied first to the outstanding principal balance due and owing at maturity and thereafter to the principal payments due in the inverse order of maturities. All payments on account of this Note shall be paid in lawful money of the United States of America in immediately available funds during regular business hours of the Lender at its principal office in the District of Columbia or at such other times and places as the Lender may at any time and from time to time designate in writing to the Borrower.

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6. Prepayments.

Prepayments may be made in whole or in part at any time. All prepayments of principal shall be applied in the inverse order of maturity, or in such other order as Lender shall determine in its sole discretion.

7. Financing Agreement and Other Financing Documents.

This Note is the "Note" described in a Financing and Security Agreement of even date herewith by and between the Borrower and the Lender (as amended, modified, restated, substituted, extended and renewed at any time and from time to time, the "Financing Agreement"). The indebtedness evidenced by this Note is included within the meaning of the term "Obligations" as defined in the Financing Agreement. The term "Financing Documents" as used in this Note shall mean collectively this Note, the Financing Agreement and any other instrument, agreement, or document previously, simultaneously, or hereafter executed and delivered by the Borrower and/or any other person, singularly or jointly with any other person, evidencing, securing, guaranteeing, or in connection with the Principal Sum, this Note and/or the Financing Agreement.

8. Security.

This Note is secured as provided in the Financing Agreement.

9. Events of Default.

The occurrence of any one or more of the following events shall constitute an event of default (individually, an "Event of Default" and collectively, the "Events of Default") under the terms of this Note:

(a) The failure of the Borrower to pay to the Lender when due any and all amounts payable by the Borrower to the Lender under the terms of this Note; or

(b) The occurrence of an event of default (as defined therein) under the terms and conditions of any of the other Financing Documents.

10. Remedies.

Upon the occurrence of an Event of Default, at the option of the Lender, all amounts payable by the Borrower to the Lender under the terms of this Note shall immediately become due and payable by the Borrower to the Lender without notice to the Borrower or any other person, and the Lender shall have all of the rights, powers, and remedies available under the terms of this Note, any of the other Financing Documents and all applicable laws. The Borrower and all endorsers, guarantors, and other parties who may now or in the future be primarily or secondarily liable for the payment of the indebtedness evidenced by this Note hereby severally waive presentment, protest and demand, notice of protest, notice of demand and of dishonor and non-payment of this

Note and expressly agree that this Note or any payment hereunder may be extended from time to time without in any way affecting the liability of the Borrower, guarantors and endorsers.

11. Arbitration and Waiver of Jury Trial.

(a) This paragraph concerns the resolution of any controversies or claims between Borrower and Lender, whether arising in contract, tort or by statute, including but not limited to controversies or claims that arise out of or relate to: (i) this Note (including any renewals, extensions or modifications); or (ii) any document related to this Note; (collectively a "Claim"). For the purposes of this arbitration provision only, the term "Lender" shall include any parent corporation, subsidiary or affiliate of the Bank involved in the servicing, management or administration of any obligation described or evidenced by this Note.

(b) At the request of the Borrower or the Lender, any Claim shall be resolved by binding arbitration in accordance with the Federal Arbitration Act (Title 9, U.S. Code) (the "Act"). The Act will apply even though this Note provides that it is governed by the law of a specified state. The arbitration will take place on an individual basis without resort to any form of class action.

(c) Arbitration proceedings will be determined in accordance with the Act, the then current rules and procedures for the arbitration of financial services disputes of the American Arbitration Association or any successor thereof ("AAA"), and the terms of this paragraph. In the event of any inconsistency, the terms of this paragraph shall control. If AAA is unwilling or unable to (i) serve as the provider of arbitration or (ii) enforce any provision of this arbitration clause, the Bank may designate another arbitration organization with similar procedures to serve as the provider of arbitration.

(d) The arbitration shall be administered by AAA and conducted, unless otherwise required by law, in any U.S. state where real or tangible personal property collateral for this credit is located or, if there is no such collateral, in the District of Columbia. All Claims shall be determined by one arbitrator; however, if Claims exceed Five Million Dollars (\$5,000,000), upon the request of any party, the Claims shall be decided by three arbitrators. All arbitration hearings shall commence within ninety (90) days of the demand for arbitration and close within ninety (90) days of commencement and the award of the arbitrator(s) shall be issued within thirty (30) days of the close of the hearing. However, the arbitrator(s), upon a showing of good cause, may extend the commencement of the hearing for up to an additional sixty (60) days. The arbitrator(s) shall provide a concise written statement of reasons for the award. The arbitration award may be submitted to any court having jurisdiction to be confirmed, judgment entered and enforced.

(e) The arbitrator(s) will give effect to statute of limitations in determining any Claim and may dismiss the arbitration on the basis that the Claim is barred. For purposes of the application of the statute of limitations, the service on AAA under



applicable AAA rules of a notice of Claim is the equivalent of the filing of a lawsuit. Any dispute concerning this arbitration provision or whether a Claim is arbitrable shall be determined by the arbitrator(s). The arbitrator(s) shall have the power to award legal fees pursuant to the terms of this Note.

(f) This paragraph does not limit the right of the Borrower or the Lender to: (i) exercise self-help remedies, such as but not limited to, setoff; (ii) initiate judicial or non-judicial foreclosure against any real or personal property collateral; (iii) exercise any judicial or power of sale rights, or (iv) act in a court of law to obtain an interim remedy, such as but not limited to, injunctive relief, writ of possession or appointment of a receiver, or additional or supplementary remedies.

(g) The filing of a court action is not intended to constitute a waiver of the right of any party, including the suing party, thereafter to require submittal of the Claim to arbitration.

(h) By agreeing to binding arbitration, the parties irrevocably and voluntarily waive any right they may have to a trial by jury in respect of any Claim. Furthermore, without intending in any way to limit this agreement to arbitrate, to the extent any Claim is not arbitrated, the parties irrevocably and voluntarily waive any right they may have to a trial by jury in respect of such Claim. This provision is a material inducement for the parties entering into this Note.

## 12. Expenses.

The Borrower promises to pay to the Lender on demand by the Lender all costs and expenses incurred by the Lender in connection with the collection and enforcement of this Note, including, without limitation, reasonable attorneys' fees and expenses and all court costs.

## 13. Notices.

Any notice, request, or demand to or upon the Borrower or the Lender shall be deemed to have been properly given or made when delivered in accordance with Section 8.1 of the Financing Agreement.

## 14. Miscellaneous.

Each right, power, and remedy of the Lender as provided for in this Note or any of the other Financing Documents, or now or hereafter existing under any applicable law or otherwise shall be cumulative and concurrent and shall be in addition to every other right, power, or remedy provided for in this Note or any of the other Financing Documents or now or hereafter existing under any applicable law, and the exercise or beginning of the exercise by the Lender of any one or more of such rights, powers, or remedies shall not preclude the simultaneous or later exercise by the Lender of any or all such other rights, powers, or remedies. No failure or delay by the Lender to insist upon

the strict performance of any term, condition, covenant, or agreement of this Note or any of the other Financing Documents, or to exercise any right, power, or remedy consequent upon a breach thereof, shall constitute a waiver of any such term, condition, covenant, or agreement or of any such breach, or preclude the Lender from exercising any such right, power, or remedy at a later time or times. By accepting payment after the due date of any amount payable under the terms of this Note, the Lender shall not be deemed to waive the right either to require prompt payment when due of all other amounts payable under the terms of this Note or to declare an Event of Default for the failure to effect such prompt payment of any such other amount. No course of dealing or conduct shall be effective to amend, modify, waive, release, or change any provisions of this Note.

15. Partial Invalidity.

In the event any provision of this Note (or any part of any provision) is held by a court of competent jurisdiction to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision (or remaining part of the affected provision) of this Note; but this Note shall be construed as if such invalid, illegal, or unenforceable provision (or part thereof) had not been contained in this Note, but only to the extent it is invalid, illegal, or unenforceable.

16. Captions.

The captions herein set forth are for convenience only and shall not be deemed to define, limit, or describe the scope or intent of this Note.

17. Applicable Law.

The Borrower acknowledges and agrees that this Note shall be governed by the laws of the District of Columbia, even though for the convenience and at the request of the Borrower, this Note may be executed elsewhere.

18. Consent to Jurisdiction.

The Borrower irrevocably submits to the jurisdiction of any state or federal court sitting in the District of Columbia over any suit, action, or proceeding arising out of or relating to this Note or any of the other Financing Documents. The Borrower irrevocably waives, to the fullest extent permitted by law, any objection that the Borrower may now or hereafter have to the laying of venue of any such suit, action, or proceeding brought in any such court and any claim that any such suit, action, or proceeding brought in any such court has been brought in an inconvenient forum. Final judgment in any such suit, action, or proceeding brought in any such court shall be conclusive and binding upon the Borrower and may be enforced in any court in which the Borrower is subject to jurisdiction by a suit upon such judgment, provided that service of process is effected upon the Borrower as provided in this Note or as otherwise permitted by applicable law.

19. Service of Process.

The Borrower hereby consents to process being served in any suit, action, or proceeding instituted in connection with this Note by: (a) the mailing of a copy thereof by certified mail, postage prepaid, return receipt requested, to the Borrower; and (b) serving a copy thereof upon John Lapp, the agent hereby designated and appointed by the Borrower as the Borrower's agent for service of process. The Borrower irrevocably agrees that such service shall be deemed in every respect effective service of process upon the Borrower in any such suit, action or proceeding, and shall, to the fullest extent permitted by law, be taken and held to be valid personal service upon the Borrower. Nothing in this Section shall affect the right of the Lender to serve process in any manner otherwise permitted by law or limit the right of the Lender otherwise to bring proceedings against the Borrower in the courts of any jurisdiction or jurisdictions.

20. WAIVER OF TRIAL BY JURY.

THE BORROWER AND THE LENDER HEREBY WAIVE TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO WHICH THE BORROWER AND THE LENDER MAY BE PARTIES, ARISING OUT OF OR IN ANY WAY PERTAINING TO (A) THIS NOTE OR (B) THE FINANCING DOCUMENTS. IT IS AGREED AND UNDERSTOOD THAT THIS WAIVER CONSTITUTES A WAIVER OF TRIAL BY JURY OF ALL CLAIMS AGAINST ALL PARTIES TO SUCH ACTIONS OR PROCEEDINGS, INCLUDING CLAIMS AGAINST PARTIES WHO ARE NOT PARTIES TO THIS NOTE.

THIS WAIVER IS KNOWINGLY, WILLINGLY AND VOLUNTARILY MADE BY THE BORROWER, AND THE BORROWER HEREBY REPRESENTS THAT NO REPRESENTATIONS OF FACT OR OPINION HAVE BEEN MADE BY ANY INDIVIDUAL TO INDUCE THIS WAIVER OF TRIAL BY JURY OR TO IN ANY WAY MODIFY OR NULLIFY ITS EFFECT. THE BORROWER FURTHER REPRESENTS THAT IT HAS BEEN REPRESENTED IN THE SIGNING OF THIS NOTE AND IN THE MAKING OF THIS WAIVER BY INDEPENDENT LEGAL COUNSEL, SELECTED OF ITS OWN FREE WILL, AND THAT IT HAS HAD THE OPPORTUNITY TO DISCUSS THIS WAIVER WITH COUNSEL.

IN WITNESS WHEREOF, the Borrower has caused this Note to be executed under seal by its duly authorized officers as of the date first written above.

WITNESS OR ATTEST:

DEMOCRATIC CONGRESSIONAL CAMPAIGN  
COMMITTEE, INC.

By:  (Seal)

Name: John Lapp  
Title: President



**FINANCING AND SECURITY AGREEMENT**

**Dated**

**October 19, 2006**

**By and Between**

**DEMOCRATIC CONGRESSIONAL CAMPAIGN COMMITTEE, INC.**

**And**

**BANK OF AMERICA, N.A.**

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## FINANCING AND SECURITY AGREEMENT

THIS FINANCING AND SECURITY AGREEMENT (this "Agreement") is made this 19<sup>th</sup> day of October 2006, by and between DEMOCRATIC CONGRESSIONAL CAMPAIGN COMMITTEE, INC., a non-profit corporation organized under the laws of the District of Columbia (the "Borrower") and BANK OF AMERICA, N. A., a national banking association (the "Lender" or the "Bank").

### RECITALS

A. Borrower has applied to Lender for a loan in the maximum principal amount of \$11,500,000 to be used by Borrower for the Permitted Uses described in this Agreement.

B. Lender is willing to make the credit facility available to Borrower upon the terms and subject to the conditions set forth in this Agreement.

### AGREEMENTS

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereby agree as follows:

#### ARTICLE 1 DEFINITIONS

##### Section 1.1 Certain Defined Terms.

As used in this Agreement, the terms defined in the Preamble and Recitals hereto shall have the respective meanings specified therein, and the following terms shall have the following meanings:

"Account" individually and "Accounts" collectively mean all presently existing or hereafter acquired or created accounts, accounts receivable, health-care insurance receivables, contract rights, notes, drafts, instruments, acceptances, chattel paper, leases and writings evidencing a monetary obligation or a security interest in, or a lease of, goods, all rights to payment of a monetary obligation or other consideration under present or future contracts (including, without limitation, all rights (whether or not earned by performance) to receive payments under presently existing or hereafter acquired or created letters of credit), or by virtue of property that has been sold, leased, licensed, assigned or otherwise disposed of, services rendered or to be rendered, loans and advances made or other considerations given, by or set forth in or arising out of any present or future chattel paper, note, draft, lease, acceptance, writing, bond, insurance policy, instrument, document or general intangible, and all extensions and renewals of any thereof, all rights under or arising out of present or future contracts, agreements or general interest in goods which gave rise to any or all of the foregoing, including all commercial tort claims, other claims or causes of action now existing or hereafter arising



in connection with or under any agreement or document or by operation of law or otherwise, all collateral security of any kind (including, without limitation, real property mortgages and deeds of trust) Supporting Obligations, letter-of-credit rights and letters of credit given by any Person with respect to any of the foregoing, all books and records in whatever media (paper, electronic or otherwise) recorded or stored, with respect to any or all of the foregoing and all equipment and general intangibles necessary or beneficial to retain, access and/or process the information contained in those books and records, and all Proceeds of the foregoing.

"Adjustment Date" has the meaning described in Section 8.5 (Assignments by Lender).

"Affiliate" means, with respect to any designated Person, any other Person, directly or indirectly controlling, directly or indirectly controlled by, or under direct or indirect common control with the Person designated.

"Agreement" means this Financing and Security Agreement, as amended, restated, supplemented or otherwise modified in writing in accordance with the provisions of Section 8.2 (Amendments; Waivers).

"Assignee" means any Person to which Lender assigns all or any portion of its interests under this Agreement or the Term Loan, in accordance with the provisions of Section 8.5 (Assignments by Lender), together with any and all successors and assigns of such Person; "Assignees" means the collective reference to all Assignees.

"Availability Period" has the meaning described in Section 2.1.1 (Term Loan Commitment).

"Bankruptcy Code" means Title 11 of the United States Code, as amended from time to time, and any successor Laws.

"Business Day" means any day other than a Saturday, Sunday or other day on which commercial banks in the State are authorized or required to close.

"Capital Adequacy Regulation" means any guideline, request or directive of any central bank or other Governmental Authority, or any other law, rule or regulation, whether or not having the force of law, in each case, regarding capital adequacy of any bank or of any corporation controlling a bank.

"Capital Lease" means with respect to any Person any lease of real or personal property, for which the related Lease Obligations have been or should be, in accordance with GAAP consistently applied, capitalized on the balance sheet of that Person.

"Cash Equivalents" means (a) securities with maturities of one year or less from the date of acquisition issued or fully guaranteed or insured by the United States Government or any agency thereof, (b) certificates of deposit with maturities of one (1)

year or less from the date of acquisition of, or money market accounts maintained with, Lender, any Affiliate of Lender, or any other domestic commercial bank having capital and surplus in excess of One Hundred Million Dollars (\$100,000,000.00) or such other domestic financial institutions or domestic brokerage houses to the extent disclosed to, and approved by, Lender and (c) commercial paper of a domestic issuer rated at least either A-1 by Standard & Poor's Corporation (or its successor) or P-1 by Moody's Investors Service, Inc. (or its successor) with maturities of six (6) months or less from the date of acquisition.

"Closing Date" means the Business Day, in any event not later than October 19, 2006, on which Lender shall be satisfied that the conditions precedent set forth in ARTICLE V (Conditions Precedent) have been fulfilled or otherwise waived by Lender.

"Collateral" means all property of Borrower subject from time to time to the Liens of this Agreement, any of the Security Documents and/or any of the other Financing Documents, together with any and all Proceeds thereof.

"Credit Facilities" means collectively the Term Loan Facility and any and all other credit facilities now or hereafter extended under or secured by this Agreement.

"Default" means an event which, with the giving of notice or lapse of time, or both, could or would constitute an Event of Default under the provisions of this Agreement.

"Documents" means all documents of title or receipts, whether now existing or hereafter acquired or created, and all Proceeds of the foregoing.

"Enforcement Costs" means all expenses, charges, costs and fees whatsoever of any nature whatsoever paid or incurred by or on behalf of Lender in connection with (a) any or all of the Obligations, this Agreement and/or any of the other Financing Documents, (b) the creation, perfection, collection, maintenance, preservation, defense, protection, realization upon, disposition, sale or enforcement of all or any part of the Collateral, this Agreement or any of the other Financing Documents, including, without limitation, those costs and expenses more specifically enumerated in Section 3.4 (Costs) and/or Section 8.10 (Enforcement Costs), and further including, without limitation, amounts paid to lessors, processors, bailees, warehousemen, sureties, judgment creditors and others in possession of or with a Lien against or claimed against the Collateral, and (c) the monitoring, administration, processing and/or servicing of any or all of the Obligations, the Financing Documents, and/or the Collateral.

"Equipment" means all equipment, machinery, computers, chattels, tools, parts, machine tools, furniture, furnishings, fixtures and supplies of every nature, presently existing or hereafter acquired or created and wherever located, whether or not the same shall be deemed to be affixed to real property, and all of such types of property leased by Borrower and all of Borrower's rights and interests with respect thereto under such leases (including, without limitation, options to purchase), together with all accessions,

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additions, fittings, accessories, special tools, and improvements thereto and substitutions therefor and all parts and equipment which may be attached to or which are necessary or beneficial for the operation, use and/or disposition of such personal property, all licenses, warranties, franchises and General Intangibles related thereto or necessary or beneficial for the operation, use and/or disposition of the same, together with all Accounts, Instruments and other consideration received by Borrower on account of the sale, lease or other disposition of all or any part of the foregoing, and together with all rights under or arising out of present or future Documents and contracts relating to the foregoing and all Proceeds of the foregoing.

"Event of Default" has the meaning described in ARTICLE VII (Default and Rights and Remedies).

"Facilities" means the collective reference to the loan, letter of credit, interest rate protection, foreign exchange risk, cash management, and other credit facilities now or hereafter provided to Borrower by Lender.

"FEC" means the Federal Election Commission.

"FEC Act" means the Federal Election Campaign Act of 1971, as amended.

"Fees" means the collective reference to each fee payable to Lender under the terms of this Agreement or under the terms of any of the other Financing Documents.

"Financing Documents" means at any time collectively this Agreement, the Note, the Security Documents and any other instrument, agreement or document previously, simultaneously or hereafter executed and delivered by Borrower and/or any other Person, singly or jointly with another Person or Persons, evidencing, securing, guarantying or in connection with this Agreement, any Note, any of the Security Documents, any of the Facilities, and/or any of the Obligations.

"Funding Termination Date" means March 31, 2007.

"GAAP" means generally accepted accounting principles in the United States of America in effect from time to time.

"General Intangibles" means all general intangibles of every nature, whether presently existing or hereafter acquired or created, and without implying any limitation of the foregoing, further means all books and records, commercial tort claims, other claims (including without limitation all claims for income tax and other refunds), payment intangibles, Supporting Obligations, choses in action, claims, causes of action in tort or equity, contract rights, judgments, customer lists, software, patents, trademarks, licensing agreements, rights in intellectual property, goodwill (including goodwill of Borrower's business symbolized by and associated with any and all trademarks, trademark licenses, copyrights and/or service marks), royalty payments, licenses, letter-of-credit rights, letters of credit, contractual rights, the right to receive refunds of unearned insurance

premiums, rights as lessee under any lease of real or personal property, literary rights, copyrights, service names, service marks, logos, trade secrets, amounts received as an award in or settlement of a suit in damages, deposit accounts, interests in joint ventures, general or limited partnerships, or limited liability companies or partnerships, rights in applications for any of the foregoing, books and records in whatever media (paper, electronic or otherwise) recorded or stored, with respect to any or all of the foregoing, all Supporting Obligations with respect to any of the foregoing, and all Equipment and General Intangibles necessary or beneficial to retain, access and/or process the information contained in those books and records, and all Proceeds of the foregoing.

"Governmental Authority" means any nation or government, any state or other political subdivision thereof and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government and any department, agency or instrumentality thereof.

"Hazardous Materials" means (a) any "hazardous waste" as defined by the Resource Conservation and Recovery Act of 1976, as amended from time to time, and regulations promulgated thereunder; (b) any "hazardous substance" as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended from time to time, and regulations promulgated thereunder; (c) any substance the presence of which on any property now or hereafter owned, acquired or operated by Borrower is prohibited by any Law similar to those set forth in this definition; and (d) any other substance which by Law requires special handling in its collection, storage, treatment or disposal.

"Hazardous Materials Contamination" means the contamination (whether presently existing or occurring after the date of this Agreement) by Hazardous Materials of any property owned, operated or controlled by Borrower or for which Borrower has responsibility, including, without limitation, improvements, facilities, soil, ground water, air or other elements on, or of, any property now or hereafter owned, acquired or operated by Borrower, and any other contamination by Hazardous Materials for which Borrower is, or is claimed to be, responsible.

"Indebtedness" of a Person means at any date the total liabilities of such Person at such time determined in accordance with GAAP consistently applied.

"Indebtedness for Borrowed Money" of a Person means at any time the sum at such time of (a) Indebtedness of such Person for borrowed money or for the deferred purchase price of property or services, (b) any obligations of such Person in respect of letters of credit, banker's or other acceptances or similar obligations issued or created for the account of such Person, (c) Lease Obligations of such Person with respect to Capital Leases, (d) all liabilities secured by any Lien on any property owned by such Person, to the extent attached to such Person's interest in such property, even though such Person has not assumed or become personally liable for the payment thereof, (e) obligations of third parties which are being guaranteed or indemnified against by such Person or which are secured by the property of such Person; (f) any obligation of such Person under an

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employee stock ownership plan or other similar employee benefit plan; and (g) any obligations, liabilities or indebtedness, contingent or otherwise, under or in connection with, any Swap Contract; but excluding trade and other accounts payable in the ordinary course of business in accordance with customary trade terms and which are not overdue (as determined in accordance with customary trade practices) or which are being disputed in good faith by such Person and for which adequate reserves are being provided on the books of such Person in accordance with GAAP.

"Indemnified Parties" has the meaning set forth in Section 8.19 (Indemnification).

"Instrument" means a negotiable instrument or any other writing which evidences a right to payment of a monetary obligation and is not itself a security agreement or lease and is of a type that in the ordinary course of business is transferred by delivery with any necessary endorsement or assignment, and all Supporting Obligations with respect to any of the foregoing and all Proceeds with respect to any of the foregoing.

"Internal Revenue Code" means the Internal Revenue Code of 1986, as amended from time to time, and the Regulations issued and proposed to be issued thereunder.

"Investment Property" means a security, whether certificated or uncertificated, security entitlement, securities account, commodity contract or commodity account and all Proceeds of, and Supporting Obligations with respect to, the foregoing.

"Item of Payment" means each check, draft, cash, money, instrument, item, and other remittance in payment or on account of payment of an Account or otherwise with respect to any Collateral, including, without limitation, cash proceeds of any returned, rejected or repossessed goods, the sale or lease of which gave rise to an Account, and other proceeds of Collateral; and "Items of Payment" means the collective reference to all of the foregoing.

"Laws" means all ordinances, statutes, rules, regulations, orders, injunctions, writs, or decrees of any Governmental Authority.

"Lease Obligations" of a Person means for any period the rental commitments of such Person for such period under leases for real and/or personal property (net of rent from subleases thereof, but including taxes, insurance, maintenance and similar expenses which such Person, as the lessee, is obligated to pay under the terms of said leases, except to the extent that such taxes, insurance, maintenance and similar expenses are payable by sublessees), including rental commitments under Capital Leases.

"Letter-of-credit right" means a right to payment or performance under a letter of credit, whether or not the beneficiary has demanded or is at the time entitled to demand payment or performance.

"Lien" means any mortgage, deed of trust, deed to secure debt, grant, pledge, security interest, assignment, encumbrance, judgment, lien, financing statement,



hypothecation, provision in any instrument or other document for confession of judgment, cognovit or other similar right or other remedy, claim, charge, control over or interest of any kind in real or personal property securing any indebtedness, duties, obligations, and liabilities owed to, or claimed to be owed to, a Person, all whether perfected or unperfected, avoidable or unavoidable, based on the common law, statute or contract or otherwise, including, without limitation, any conditional sale or other title retention agreement, any lease in the nature thereof, and the filing of or agreement to give any financing statement under the Uniform Commercial Code of any jurisdiction, excluding the precautionary filing of any financing statement by any lessor in a true lease transaction, by any bailor in a true bailment transaction or by any consignor in a true consignment transaction under the Uniform Commercial Code of any jurisdiction or the agreement to give any financing statement by any lessee in a true lease transaction, by any bailee in a true bailment transaction or by any consignee in a true consignment transaction.

"Loan" means the Term Loan.

"Maximum Rate" has the meaning described in Section 2.2.5 (Maximum Interest Rate).

"Note" means the Term Note, and "Notes" means collectively the Term Note, and any other promissory note which may from time to time evidence all or any portion of the Obligations.

"Obligations" means all present and future indebtedness, duties, obligations, and liabilities, whether now existing or contemplated or hereafter arising, of Borrower to Lender under, arising pursuant to, in connection with and/or on account of the provisions of this Agreement, each Note, each Security Document, and/or any of the other Financing Documents, the Term Loan, any Swap Contract and/or any of the Facilities including, without limitation, the principal of, and interest on, each Note, late charges, the Fees, Enforcement Costs, and prepayment fees (if any), letter of credit reimbursement obligations, letter of credit fees or fees charged with respect to any guaranty of any letter of credit; also means all other present and future indebtedness, duties, obligations, and liabilities, whether now existing or contemplated or hereafter arising, of Borrower to Lender or its Affiliates of any nature whatsoever, regardless of whether such indebtedness, duties, obligations, and liabilities be direct, indirect, primary, secondary, joint, several, joint and several, fixed or contingent; and also means any and all renewals, extensions, substitutions, amendments, restatements and rearrangements of any such indebtedness, duties, obligations, and liabilities.

"Origination Fee" has the meaning described in Section 2.2.3 (Origination Fee).

"Permitted Liens" means: (a) Liens for Taxes which are not delinquent or which Lender has determined in the exercise of its sole and absolute discretion (i) are being diligently contested in good faith and by appropriate proceedings, and such contest operates to suspend collection of the contested Taxes and enforcement of a Lien, (ii)

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Borrower has the financial ability to pay, with all penalties and interest, at all times without materially and adversely affecting Borrower, and (iii) are not, and will not be with appropriate filing, the giving of notice and/or the passage of time, entitled to priority over any Lien of Lender; (b) deposits or pledges to secure obligations under workers' compensation, social security or similar laws, or under unemployment insurance in the ordinary course of business; (c) Liens securing the Obligations; (d) judgment Liens to the extent the entry of such judgment does not constitute a Default or an Event of Default under the terms of this Agreement or result in the sale or levy of, or execution on, any of the Collateral; and (e) such other Liens, if any, as are set forth on Schedule 4.1.17 attached hereto and made a part hereof.

"Permitted Uses" means to make expenditures for electoral campaign activity consistent with the FEC Act and other applicable laws, including but not limited to direct contributions, coordinated expenditures or independent expenditures in support of or opposition to candidates for the United States House of Representatives.

"Person" means and includes an individual, a corporation, a partnership, a joint venture, a limited liability company or partnership, a trust, an unincorporated association, a Governmental Authority, or any other organization or entity.

"Post-Default Rate" means the Prime Rate in effect from time to time, plus four percent (4%) per annum.

"Prepayment" means a Term Loan Optional Prepayment and "Prepayments" mean collectively all Term Loan Optional Prepayments.

"Prime Rate" means the rate of interest publicly announced from time to time by Lender as its prime rate. It is a rate set by Lender based upon various factors including Lender's costs and desired return, general economic conditions, and other factors, and is used as a reference point for pricing some loans. However, Lender may price loans at, above, or below such announced rate. Any changes in the Prime Rate shall take effect at the opening of business on the day specified in the public announcement of such change.

"Proceeds" has the meaning described in the Uniform Commercial Code as in effect from time to time.

"Responsible Officer" means the chief executive officer of Borrower, the president of Borrower or such other officer of Borrower who, by corporate resolution, is authorized to take action on behalf of Borrower with respect to the transactions described herein.

"Security Documents" means collectively any assignment, pledge agreement, security agreement, mortgage, deed of trust, deed to secure debt, financing statement and any similar instrument, document or agreement under or pursuant to which a Lien is now or hereafter granted to, or for the benefit of, Lender on any real or personal property of

any Person to secure all or any portion of the Obligations, all as the same may from time to time be amended, restated, supplemented or otherwise modified.

"State" means the District of Columbia.

"Subordinated Indebtedness" means all Indebtedness incurred at any time by Borrower, which is in amounts, subject to repayment terms, and subordinated to the Obligations, as set forth in one or more written agreements, all in form and substance satisfactory to Lender in its sole and absolute discretion.

"Subsidiary" means any corporation the majority of the voting shares of which at the time are owned directly by Borrower.

"Supporting Obligation" means a letter-of credit right, secondary obligation or obligation of a secondary obligor or that supports the payment or performance of an account, chattel paper, a document, a general intangible, an instrument or investment property.

"Swap Contract" means any document, instrument or agreement between Borrower and Lender or any affiliate of Lender, now existing or entered into in the future, relating to an interest rate swap transaction, forward rate transaction, interest rate cap, floor or collar transaction, any similar transaction, any option to enter into any of the foregoing, and any combination of the foregoing, which agreement may be oral or in writing, including, without limitation, any master agreement relating to or governing any or all of the foregoing and any related schedule or confirmation, each as amended from time to time.

"Taxes" means all taxes and assessments whether general or special, ordinary or extraordinary, or foreseen or unforeseen, of every character (including all penalties or interest thereon), which at any time may be assessed, levied, confirmed or imposed by any Governmental Authority on Borrower or any of its properties or assets or any part thereof or in respect of any of its franchises, businesses, income or profits.

"Term Loan" has the meaning described in Section 2.1.1 (Term Loan Commitment).

"Term Loan Commitment" has the meaning described in Section 2.1.1 (Term Loan Commitment).

"Term Loan Facility" means the facility established by Lender pursuant to Section 2.1 (Term Loan Facility).

"Term Loan Optional Prepayment" and "Term Loan Optional Prepayments" have the meanings described in Section 2.1.4 (Optional Prepayments of Term Loan).

"Term Note" has the meaning described in Section 2.1.3 (The Term Note).

"Uniform Commercial Code" means, unless otherwise provided in this Agreement, the Uniform Commercial Code as adopted by and in effect from time to time in the State or in any other jurisdiction, as applicable.

Section 1.2 Accounting Terms and Other Definitional Provisions.

Unless otherwise defined herein, as used in this Agreement and in any certificate, report or other document made or delivered pursuant hereto, accounting terms not otherwise defined herein, and accounting terms only partly defined herein, to the extent not defined, shall have the respective meanings given to them under GAAP, as consistently applied to the applicable Person. All terms used herein which are defined by the Uniform Commercial Code shall have the same meanings as assigned to them by the Uniform Commercial Code unless and to the extent varied by this Agreement. The words "hereof", "herein" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and article, section, subsection, schedule and exhibit references are references to articles, sections or subsections of, or schedules or exhibits to, as the case may be, this Agreement unless otherwise specified. As used herein, the singular number shall include the plural, the plural the singular and the use of the masculine, feminine or neuter gender shall include all genders, as the context may require. Reference to any one or more of the Financing Documents shall mean the same as the foregoing may from time to time be amended, restated, substituted, extended, renewed, supplemented or otherwise modified.

ARTICLE II  
THE CREDIT FACILITY

Section 2.1 The Term Loan Facility.

2.1.1 Term Loan Commitment.

Subject to and upon the provisions of this Agreement, the Lender establishes a credit facility (the "Term Loan") in favor of the Borrower in the maximum principal amount of ELEVEN MILLION FIVE HUNDRED THOUSAND DOLLARS (\$11,500,000.00) (the "Term Loan Commitment"). The Term Loan may be advanced in whole or in part through and including the Funding Termination Date (the "Availability Period"). No advance of the Term Loan shall be made subsequent to the Funding Termination Date. The outstanding principal balance of the Term Loan at the conclusion of the Availability Period shall be divided into twelve (12) equal payments that shall be repaid in accordance with the terms of the Term Note over the course of the succeeding twelve (12) month period.

2.1.2 Procedure for Making Advances.

The Borrower may borrow under the Term Loan Commitment on

any Business Day. Advances under the Term Loan shall be deposited to a demand deposit account of Borrower with the Lender (or an Affiliate of the Lender) or shall be otherwise applied as directed by the Borrower, which direction the Lender may require to be in writing. The Borrower shall give the Lender oral or written notice (a "Loan Notice") of the advance requested no later than 12:00 p.m. (Eastern Time) on the date of the requested borrowing. Advances of sums requested in a Loan Notice received after 12:00 p.m. (Eastern Time) shall be made on the succeeding Business Day. Any oral Loan Notice shall be confirmed in writing by the Borrower within three (3) Business Days after the making of the requested advance. Each Loan Notice shall be irrevocable.

#### 2.1.3 The Term Note.

The obligation of Borrower to pay the Term Loan with interest shall be evidenced by a promissory note (as from time to time extended, amended, restated, supplemented or otherwise modified, the "Term Note") substantially in the form of EXHIBIT A attached hereto and made a part hereof with appropriate insertions.

#### 2.1.4 Optional Prepayments of Term Loan.

Borrower shall have the option, at any time and from time to time, to prepay (each a "Term Loan Optional Prepayment" and collectively the "Term Loan Optional Prepayments") the Term Loan, in whole or in part.

### Section 2.2 General Financing Provisions.

#### 2.2.1 Borrower's Representatives.

Lender is hereby irrevocably authorized by Borrower to rely upon the written, oral or telephone request of any one or more of the Persons who is from time to time a Responsible Officer of Borrower under the provisions of the most recent certificate of corporate resolutions and/or incumbency of Borrower on file with Lender. Lender assumes no responsibility or liability for any errors, mistakes, and/or discrepancies in the oral, telephonic, written or other transmissions of any instructions, orders, requests and confirmations between Lender and Borrower in connection with the Credit Facilities, the Loan or any other transaction in connection with the provisions of this Agreement.

#### 2.2.2 Use of Proceeds of the Term Loan.

The proceeds of the Term Loan shall be used by Borrower for Permitted Uses, and for no other purposes except as may otherwise be agreed by Lender in writing.

#### 2.2.3 Origination Fee.

Borrower shall pay to Lender on or before the Closing Date a loan



origination fee (the "Origination Fee") in the amount of FIFTEEN THOUSAND DOLLARS (\$15,000.00), which fee has been fully earned and is non-refundable.

#### 2.2.4 Computation of Interest and Fees.

All applicable Fees and interest shall be calculated on the basis of a year of 360 days for the actual number of days elapsed. The BBA LIBOR Daily Floating Rate is a fluctuating rate of interest (rounded upwards, if necessary to the nearest 1/100 of 1%) equal to the rate per annum equal to the British Bankers Association LIBOR Rate, as published by Reuters (or other commercially available source providing quotations of BBA LIBOR as selected by the Bank from time to time) at approximately 11:00 a.m. London time two (2) London Banking Days before the commencement of the interest period, for U.S. Dollar deposits (for delivery on the first day of such interest period) with a one month term, as adjusted from time to time in the Bank's sole discretion for reserve requirements, deposit insurance assessment rates and other regulatory costs. If such rate is not available at such time for any reason, then the rate for that interest period will be determined by such alternate method as reasonably selected by the Bank. A "London Banking Day" is a day on which banks in London are open for business and dealing in offshore dollars. The Prime Rate is the rate of interest publicly announced from time to time by the Bank as its Prime Rate. Any changes to any Obligation resulting from a change in the Prime Rate shall become effective as of the opening of business on the day on which such change in the Prime Rate is announced.

#### 2.2.5 Maximum Interest Rate.

In no event shall any interest rate provided for hereunder exceed the maximum rate permissible for corporate borrowers under applicable law for loans of the type provided for hereunder (the "Maximum Rate"). If, in any month, any interest rate, absent such limitation, would have exceeded the Maximum Rate, then the interest rate for that month shall be the Maximum Rate, and, if in future months, that interest rate would otherwise be less than the Maximum Rate, then that interest rate shall remain at the Maximum Rate until such time as the amount of interest paid hereunder equals the amount of interest which would have been paid if the same had not been limited by the Maximum Rate. In the event that, upon payment in full of the Obligations, the total amount of interest paid or accrued under the terms of this Agreement is less than the total amount of interest which would, but for this Section, have been paid or accrued if the interest rates otherwise set forth in this Agreement had at all times been in effect, then Borrower shall, to the extent permitted by applicable law, pay Lender, an amount equal to the excess of (a) the lesser of (i) the amount of interest which would have been charged if the Maximum Rate had, at all times, been in effect or (ii) the amount of interest which would have accrued had the interest rates otherwise set forth in this Agreement, at all times, been in effect over (b) the amount of interest actually paid or accrued under this Agreement. In the event that a court determines that Lender has received interest and other charges hereunder in excess of the Maximum Rate, such excess shall be deemed received on account of, and shall automatically be applied to reduce, the Obligations

other than interest, in the inverse order of maturity, and if there are no Obligations outstanding, Lender shall refund to Borrower such excess.

#### 2.2.6 Payments.

All payments of the Obligations, including, without limitation, principal, interest, Prepayments, and Fees, shall be paid by Borrower without setoff, recoupment or counterclaim to Lender in immediately available funds not later than 12:00 p.m. (Eastern Time) on the due date of such payment. All payments received by Lender after such time shall be deemed to have been received by Lender for purposes of computing interest and Fees and otherwise as of the next Business Day. Payments shall not be considered received by Lender until such payments are paid to Lender in immediately available funds to Lender's principal office in the District of Columbia or at such other location as Lender may at any time and from time to time notify Borrower. Alternatively, at its sole discretion, Lender may charge any deposit account of Borrower at Lender or any Affiliate of Lender with all or any part of any amount due to Lender under this Agreement or any of the other Financing Documents to the extent that Borrower shall have not otherwise tendered payment to Lender.

#### 2.2.7 Requirements of Law.

In the event that Lender shall have determined in good faith that (a) the adoption of any Capital Adequacy Regulation, or (b) any change in any Capital Adequacy Regulation or in the interpretation or application thereof or (c) compliance by Lender or any corporation controlling Lender with any request or directive regarding capital adequacy (whether or not having the force of law) from any central bank or Governmental Authority, does or shall have the effect of reducing the rate of return on the capital of Lender or any corporation controlling Lender, as a consequence of the obligations of Lender hereunder to a level below that which Lender or any corporation controlling Lender would have achieved but for such adoption, change or compliance (taking into consideration the policies of Lender and the corporation controlling Lender, with respect to capital adequacy) by an amount deemed by Lender, in its discretion, to be material, then from time to time, after submission by Lender to Borrower of a written request therefor and a statement of the basis for Lender's determination, Borrower shall pay to Lender such additional amount or amounts in order to compensate Lender or its controlling corporation for any such reduction.

### ARTICLE III THE COLLATERAL

#### Section 3.1 Debt and Obligations Secured.

All property and Liens assigned, pledged or otherwise granted under or in connection with this Agreement (including, without limitation, those under Section 3.2 (Grant of Liens)) or any of the Financing Documents shall secure (a) the payment of all of the Obligations, and (b) the performance, compliance with and observance by

Borrower of the provisions of this Agreement and all of the other Financing Documents otherwise under the Obligations.

### Section 3.2 Grant of Liens.

Borrower hereby assigns, pledges and grants to Lender, and agrees that Lender shall have a perfected and continuing security interest in, and Lien on, (a) all of Borrower's deposit accounts with Lender containing revenues, into which account Borrower shall deposit all funds from its fundraising efforts from time to time, and all balances in such deposit accounts at any time; (b) all of Borrower's rights to receipt of funds constituting revenues committed or promised or agreed to be paid to Borrower as a result of its fundraising efforts, including Accounts, Documents, Instruments, Investment Property, and General intangibles evidencing such rights; (c) all Equipment, fixtures and other assets; (d) all insurance policies relating to the foregoing and the right to receive refunds of unearned insurance premiums under those policies; (e) all books and records in whatever media (paper, electronic or otherwise) recorded or stored, with respect to the foregoing and all Equipment and General Intangibles necessary or beneficial to retain, access and/or process the information contained in those books and records; and (f) all Proceeds and products of the foregoing. Borrower further agrees that Lender shall have in respect thereof all of the rights and remedies of a secured party under the Uniform Commercial Code as well as those provided in this Agreement, under each of the other Financing Documents and under applicable Laws.

### Section 3.3 Record Searches.

As of the Closing Date and thereafter at the time any Financing Document is executed and delivered by Borrower pursuant to this Section, Lender shall have received, in form and substance satisfactory to Lender, such Lien or record searches with respect to Borrower and/or any other Person, as appropriate, and the property covered by such Financing Document showing that the Lien of such Financing Document will be a perfected first priority Lien on the property covered by such Financing Document subject only to Permitted Liens or to such other matters as Lender may approve.

### Section 3.4 Costs.

Borrower agrees to pay, as part of the Enforcement Costs and to the fullest extent permitted by applicable Laws, on demand all costs, reasonable attorneys' fees, fees and expenses incurred by Lender in connection with the taking, perfection, preservation, protection and/or release of a Lien on the Collateral.

### Section 3.5 Release.

Upon the indefeasible repayment in full in cash of the Obligations and performance of all Obligations of Borrower and all obligations and liabilities of each other Person, other than Lender, under this Agreement and all other Financing Documents, upon Borrower's request and at Borrower's sole cost and expense, Lender

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shall release and/or terminate any Financing Document but only if and provided that there is no commitment or obligation (whether or not conditional) of Lender to re-advance amounts which would be secured thereby.

Section 3.6 Inconsistent Provisions.

In the event that the provisions of any Financing Document directly conflict with any provision of this Agreement, the provisions of this Agreement govern.

ARTICLE IV  
REPRESENTATIONS AND WARRANTIES

Section 4.1 Representation and Warranties.

Borrower represents and warrants to Lender, as follows:

4.1.1 Subsidiaries.

Borrower has no Subsidiaries.

4.1.2 Existence.

Borrower (a) is a non-profit corporation organized under the laws of the jurisdiction stated in the Preamble of this Agreement, (b) is in good standing under the laws of the jurisdiction in which it is organized, (c) has the power to own its property and to carry on its business as now being conducted, (d) is registered with the campaign finance authorities of any state in which it has political activity where such registration is required, and (e) is a national "political committee" as defined in Section 301(4) of the FEC Act and has filed with the FEC all registrations or reports required under the FEC Act and regulations related thereto. Borrower is organized only under the laws of the State and the FEC Act.

4.1.3 Power and Authority.

Borrower has full power and authority to execute and deliver this Agreement, and the other Financing Documents to which it is a party, to make the borrowings under this Agreement and to incur and perform the Obligations whether under this Agreement, the other Financing Documents or otherwise, all of which have been duly authorized by all proper and necessary action. No consent or approval of owners or any creditors of Borrower, and no consent, approval, filing or registration with or notice to any Governmental Authority on the part of Borrower, is required as a condition to the execution, delivery, validity or enforceability of this Agreement, or any of the other Financing Documents, the performance by Borrower of the Obligations.

4.1.4 Binding Agreements.

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This Agreement and the other Financing Documents executed and delivered by Borrower have been properly executed and delivered and constitute the valid and legally binding obligations of Borrower and are fully enforceable against Borrower in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting the rights and remedies of creditors and secured parties, and general principles of equity regardless of whether applied in a proceeding in equity or at law.

#### 4.1.5 No Conflicts.

Neither the execution, delivery and performance of the terms of this Agreement or of any of the other Financing Documents executed and delivered by Borrower nor the consummation of the transactions contemplated by this Agreement will conflict with, violate or be prevented by (a) Borrower's organizational or governing documents, (b) any existing mortgage, indenture, contract or agreement binding on Borrower or affecting its property, or (c) any Laws.

#### 4.1.6 No Defaults. Violations.

(a) No Default or Event of Default has occurred and is continuing.

(b) Borrower is not in default under or with respect to any obligation under any existing mortgage, indenture, contract or agreement binding on it or affecting its property in any respect which could be materially adverse to the business, operations, property or financial condition of Borrower, or which could materially adversely affect the ability of Borrower to perform its obligations under this Agreement or the other Financing Documents, to which Borrower is a party.

#### 4.1.7 Compliance with Laws.

Borrower is not in violation of any applicable Laws (including, without limitation, any Laws relating to employment practices, to environmental, occupational and health standards and controls) or order, writ, injunction, decree or demand of any court, arbitrator, or any Governmental Authority affecting Borrower or any of its properties, the violation of which, considered in the aggregate, could materially adversely affect the business, operations or properties of Borrower.

#### 4.1.8 Margin Stock.

None of the proceeds of the Term Loan will be used, directly or indirectly, by Borrower for the purpose of purchasing or carrying, or for the purpose of reducing or retiring any indebtedness which was originally incurred to purchase or carry, any "margin stock" within the meaning of Regulation U (12 CFR Part 221), of the Board of Governors of the Federal Reserve System or for any other purpose which might make the transactions contemplated in this Agreement a "purpose credit" within the meaning of Regulation U, or cause this Agreement to violate any other regulation of the Board of



Governors of the Federal Reserve System or the Securities Exchange Act of 1934 or the Small Business Investment Act of 1958, as amended, or any rules or regulations promulgated under any of such statutes.

#### 4.1.9 Investment Company Act: Margin Stock.

Borrower is not an investment company within the meaning of the Investment Company Act of 1940, as amended, nor is it, directly or indirectly, controlled by or acting on behalf of any Person which is an investment company within the meaning of said Act. Borrower is not engaged principally, or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying "margin stock" within the meaning of Regulation U (12 CFR Part 221), of the Board of Governors of the Federal Reserve System.

#### 4.1.10 Litigation.

Except as otherwise disclosed on Schedule 4.1.10 attached hereto and made a part hereof, there are no proceedings, actions or investigations pending or, so far as Borrower knows, threatened before or by any court, arbitrator or any Governmental Authority which, in any one case or in the aggregate, if determined adversely to the interests of Borrower, would have a material adverse effect on the business, properties, condition (financial or otherwise) or operations, present or prospective, of Borrower.

#### 4.1.11 Financial Condition.

The financial statements of Borrower dated December 31, 2005, are complete and correct and fairly present the financial position of Borrower and the results of its operations and transactions in its surplus accounts as of the date and for the period referred to and have been prepared in accordance with GAAP applied on a consistent basis throughout the period involved. There are no liabilities, direct or indirect, fixed or contingent, of Borrower as of the date of such financial statements that are not reflected therein or in the notes thereto. There has been no adverse change in the financial condition or operations of Borrower since the date of such financial statements and to Borrower's knowledge no such adverse change is pending or threatened. Borrower has not guaranteed the obligations of, or made any investment in or advances to, any Person, except as disclosed in such financial statements.

#### 4.1.12 Full Disclosure.

The financial statements referred to in Section 4.1.11 (Financial Condition), the Financing Documents (including, without limitation, this Agreement), and the statements, reports or certificates furnished by Borrower in connection with the Financing Documents (a) do not contain any untrue statement of a material fact and (b) when taken in their entirety, do not omit any material fact necessary to make the statements contained therein not misleading. There is no fact known to Borrower which Borrower has not disclosed to Lender in writing prior to the date of this Agreement with

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respect to the transactions contemplated by the Financing Documents that materially and adversely affects or in the future could, in the reasonable opinion of Borrower materially adversely affect the condition, financial or otherwise, results of operations, business, or assets of Borrower.

#### 4.1.13 Indebtedness for Borrowed Money.

Except for the Obligations and except as set forth in Schedule 4.1.13 attached hereto and made a part hereof, Borrower has no indebtedness for Borrowed Money. Lender has received photocopies of all promissory notes evidencing any Indebtedness for Borrowed Money set forth in Schedule 4.1.13, together with any and all subordination agreements, other agreements, documents, or instruments securing, evidencing, guarantying or otherwise executed and delivered in connection therewith.

#### 4.1.14 Taxes.

Borrower has filed all returns, reports and forms for Taxes that, to the knowledge of Borrower, are required to be filed, and has paid all Taxes as shown on such returns or on any assessment received by it, to the extent that such Taxes have become due, unless and to the extent only that such Taxes, assessments and governmental charges are currently contested in good faith and by appropriate proceedings by Borrower, such Taxes are not the subject of any Liens other than Permitted Liens, and adequate reserves therefor have been established as required under GAAP. All tax liabilities of Borrower were as of the date of audited financial statements referred to in Section 4.1.1 1 (Financial Condition), and are now, adequately provided for on the books of Borrower. No tax liability has been asserted by the Internal Revenue Service or any state or local authority against Borrower for Taxes in excess of those already paid.

#### 4.1.15 Title to Properties.

Borrower has good and marketable title to all of its properties, including, without limitation, the Collateral and the properties and assets reflected in the balance sheets described in Section 4.1.11 (Financial Condition). Borrower has legal, enforceable and uncontested rights to use freely such property and assets. All of such properties, including, without limitation, the Collateral that were purchased, were purchased for fair consideration and reasonably equivalent value in the ordinary course of business of both the seller and Borrower and not, by way of example only, as part of a bulk sale.

#### 4.1.16 Presence of Hazardous Materials or Hazardous Materials Contamination.

To the best of Borrower's knowledge, (a) no Hazardous Materials are located on any real property owned, controlled or operated by Borrower or for which Borrower is, or is claimed to be, responsible, except for reasonable quantities of necessary supplies for use by Borrower in the ordinary course of its current line of

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business and stored, used and disposed in accordance with applicable Laws; and (b) no property owned, controlled or operated by Borrower or for which Borrower has, or is claimed to have, responsibility has ever been used as a manufacturing, storage, or dump site for Hazardous Materials nor is affected by Hazardous Materials Contamination at any other property.

#### 4.1.17 Perfection and Priority of Collateral.

Lender has, or upon execution and recording of this Agreement and the Security Documents will have, and will continue to have as security for the Obligations, a valid and perfected Lien on and security interest in all Collateral, free of all other Liens, claims and rights of third parties whatsoever except Permitted Liens, including, without limitation, those described on Schedule 4.1.17 attached hereto and made a part hereof.

#### 4.1.18 Business Names and Addresses.

In the five (5) years preceding the date hereof Borrower has not changed its name, identity or corporate structure, has not conducted business under any name other than its current name.

#### Section 4.2 Survival; Updates of Representations and Warranties.

All representations and warranties contained in or made under or in connection with this Agreement and the other Financing Documents shall survive the Closing Date, the extension of credit made hereunder, and the incurring of any other Obligations.

### ARTICLE V CONDITIONS PRECEDENT

The funding of the Term Loan is subject to the fulfillment on or before the Closing Date of the following conditions precedent in a manner satisfactory in form and substance to Lender and its counsel:

#### Section 5.1 Organizational Documents - Borrower.

Lender shall have received:

(a) a certificate of good standing certified by the Secretary of State, or other appropriate Governmental Authority, of the state of formation of Borrower;

(b) a complete copy of Borrower's Statement of Organization as most recently filed pursuant to Section 303 of the FEC Act;

(c) a certificate dated as of the Closing Date by the Secretary or an Assistant Secretary of Borrower covering:

(i) true and complete copies of Borrower's organizational and governing documents and all amendments thereto;

(ii) true and complete copies of the resolutions of its Board of Directors authorizing (A) the execution, delivery and performance of the Financing Documents to which it is a party, (B) the borrowings hereunder, and (C) the granting of the Liens contemplated by this Agreement and the Financing Documents to which Borrower is a party;

(iii) the incumbency, authority and signatures of the officers of Borrower authorized to sign this Agreement and the other Financing Documents to which Borrower is a party.

Section 5.2 Opinion of Borrower's Counsel.

Lender shall have received the favorable opinion of counsel for Borrower addressed to Lender.

Section 5.3 Consents, Licenses, Approvals, Etc.

Lender shall have received copies of all consents, licenses and approvals, required in connection with the execution, delivery, performance, validity and enforceability of the Financing Documents, and such consents, licenses and approvals shall be in full force and effect.

Section 5.4 Term Note.

Lender shall have received the Term Note conforming to the requirements hereof and executed by a Responsible Officer of Borrower and attested by a duly authorized representative of Borrower.

Section 5.5 Financing Documents and Collateral.

Borrower shall have executed and delivered the Financing Documents to be executed by it, and shall have delivered all opinions, title insurance, and other documents contemplated by ARTICLE III (The Collateral).

Section 5.6 Other Financing Documents.

In addition to the Financing Documents to be delivered by Borrower, Lender shall have received the Financing Documents duly executed and delivered by Persons other than Borrower.

Section 5.7 Other Documents, Etc.

Lender shall have received such other certificates, opinions, documents and instruments confirmatory of or otherwise relating to the transactions contemplated hereby as may have been reasonably requested by Lender.

Section 5.8 Payment of Fees.

Lender shall have received payment of any Fees due on or before Closing Date.

Section 5.9 Recordings and Filings.

Borrower shall have: (a) executed and delivered all Financing Documents required to be filed, registered or recorded in order to create, in favor of Lender, a perfected Lien in the Collateral (subject only to the Permitted Liens) in form and in sufficient number for filing, registration, and recording in each office in each jurisdiction in which such filings, registrations and recordations are required, and (b) delivered such evidence as Lender deems satisfactory that all necessary filing fees and all recording and other similar fees, and all Taxes and other expenses related to such filings, registrations and recordings will be or have been paid in full.

Section 5.10 Insurance Certificate.

Lender shall have received an insurance certificate in accordance with the provisions of Section 6.1.7 (Insurance).

ARTICLE VI  
COVENANTS OF BORROWER

Section 6.1 Affirmative Covenants.

So long as any of the Obligations shall be outstanding hereunder, Borrower agrees with Lender as follows:

6.1.1 Financial Statements.

Borrower shall furnish to Lender:

(a) Annual Statements and Certificates. Borrower shall furnish to Lender as soon as available, but in no event more than one hundred eighty (180) days after the close of each fiscal year of Borrower, a copy of the annual consolidated financial statement in reasonable detail satisfactory to Lender relating to Borrower prepared in accordance with GAAP and reviewed by independent certified public accountants satisfactory to Lender, which financial statement shall include a consolidated balance sheet of Borrower as of the end of such fiscal year and consolidated statements of income and breakdown of operating expenses, statement of changes in financial position and such other matters as have been included in previous financial statements delivered to Lender. In the event the principal balance of the Term Loan together with any interest

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accrued and outstanding on the Funding Termination Date totals more than Five Million Dollars (\$5,000,000.00), in lieu of the aforementioned financial statement, Borrower shall furnish to Lender as soon as available, but in no event more than two hundred ten (210) days after the close of each fiscal year of Borrower, an audited annual consolidated financial statement in reasonable detail satisfactory to Lender relating to Borrower (with an opinion satisfactory to Lender) prepared in accordance with GAAP by independent certified public accountants satisfactory to Lender, which financial statement shall include a consolidated balance sheet of Borrower as of the end of such fiscal year and consolidated statements of income and breakdown of operating expenses, statement of changes in financial position and such other matters as have been included in previous financial statements delivered to Lender.

(b) FEC Reports. Borrower shall furnish to Lender, no later than thirty (30) days after the last day of each month, copies of any and all reports and statements filed by Borrower with the FEC the preceding month, including any amendments filed by Borrower to previously filed reports or to Borrower's Statement of Organization.

(c) Additional Reports and Information. Borrower shall furnish to Lender promptly, such additional information, reports or statements as Lender may from time to time reasonably request.

#### 6.1.2 Recordkeeping, Rights of Inspection, Etc.

(a) Borrower shall maintain (i) a standard system of accounting in accordance with GAAP, and (ii) proper books of record and account in which full, true and correct entries are made of all dealings and transactions in relation to its properties, business and activities.

(b) Borrower shall permit authorized representatives of Lender to visit and inspect the properties of Borrower, to review, audit, check and inspect the Collateral at any time with or without notice, to review, audit, check and inspect Borrower's other books of record at any time with or without notice and to make abstracts and photocopies thereof, and to discuss the affairs, finances and accounts of Borrower, with the officers, directors, employees and other representatives of Borrower and its accountants, all at such times during normal business hours and other reasonable times and as often as Lender may reasonably request.

(c) Borrower hereby irrevocably authorizes and directs all accountants and auditors employed by Borrower at any time prior to the repayment in full of the Obligations to exhibit and deliver to Lender copies of any and all of the financial statements, trial balances, management letters, or other accounting records of any nature of Borrower in the accountant's or auditor's possession, and to disclose to Lender any information they may have concerning the financial status and business operations of Borrower. Further, Borrower hereby authorizes all Governmental Authorities to furnish



to Lender copies of reports or examinations relating to Borrower, whether made by Borrower or otherwise.

(d) Any and all costs and expenses incurred by, or on behalf of, Lender in connection with the conduct of any of the foregoing shall be part of the Enforcement Costs and shall be payable to Lender upon demand.

#### 6.1.3 Existence.

Borrower shall maintain its existence in good standing in the State and in each other jurisdiction where it is required to register or qualify to do business if the failure to do so in such other jurisdiction might have a material adverse effect on the ability of Borrower to perform the Obligations, on the conduct of Borrower's operations, on Borrower's financial condition, or on the value of, or the ability of Lender to realize upon, the Collateral. Borrower shall maintain its status as a national political committee under the FEC Act and comply with all registration and reporting requirements and all other applicable requirements of the FEC Act and regulations thereunder.

#### 6.1.4 Compliance with Laws.

Borrower shall comply with all applicable Laws and observe the valid requirements of Governmental Authorities, the noncompliance with or the nonobservance of which might have a material adverse effect on the ability of Borrower to perform the Obligations, on the conduct of Borrower's operations, on Borrower's financial condition, or on the value of, or the ability of Lender to realize upon, the Collateral.

#### 6.1.5 Preservation of Properties.

Borrower will at all times (a) maintain, preserve, protect and keep its properties, whether owned or leased, in good operating condition, working order and repair (ordinary wear and tear excepted), and from time to time will make all proper repairs, maintenance, replacements, additions and improvements thereto needed to maintain such properties in good operating condition, working order and repair, and (b) do or cause to be done all things necessary to preserve and to keep in full force and effect its material franchises, leases of real and personal property, trade names, and permits which are necessary for the orderly continuance of its business.

#### 6.1.6 Line of Business.

Borrower will continue to engage substantially only in the business of "a political committee," as that term is defined and used by the FEC Act.

#### 6.1.7 Insurance.

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(a) General Provisions. Borrower shall maintain insurance satisfactory to Lender as to amount, nature and carrier covering property damage (including loss of use and occupancy) to any of Borrower's properties, business interruption insurance, public liability insurance including coverage for contractual liability, product liability and workers' compensation, and any other insurance which is usual for Borrower's business. Each policy shall provide for at least thirty (30) days prior notice to Lender of any cancellation thereof and name Lender as loss payee or additional insured, as appropriate.

(b) Evidence of Insurance. Upon the request of Lender, Borrower shall deliver to Lender a copy of each insurance policy, or, if permitted by Lender, a certificate of insurance listing all insurance in force.

#### 6.1.8 Taxes.

Except to the extent that the validity or amount thereof is being contested in good faith and by appropriate proceedings, Borrower will pay and discharge all Taxes prior to the date when any interest or penalty would accrue for the nonpayment thereof. Borrower shall furnish to Lender at such times as Lender may require proof satisfactory to Lender of the making of payments or deposits required by applicable Laws including, withhold limitation, payments or deposits with respect to amounts withheld by Borrower from wages and salaries of employees and amounts contributed by Borrower on account of federal and other income or wage taxes and amounts due under the Federal Insurance Contributions Act, as amended.

#### 6.1.9 Notification of Events of Default and Adverse Developments.

Borrower shall promptly notify Lender upon obtaining knowledge of the occurrence of:

- (a) any Event of Default;
- (b) any Default;
- (c) any litigation instituted or threatened against Borrower and of the entry of any judgment or Lien (other than any Permitted Liens) against any of the assets or properties of Borrower where the claims against Borrower exceed One Hundred Thousand Dollars (\$100,000) and are not covered by insurance;
- (d) any event, development or circumstance whereby the financial statements furnished hereunder fail in any material respect to present fairly, in accordance with GAAP, the financial condition and operational results of Borrower;
- (e) any judicial, administrative or arbitral proceeding pending against Borrower and any judicial or administrative proceeding known by Borrower to be

threatened against it that, if adversely decided, could materially adversely affect its financial condition or operations (present or prospective);

(f) the receipt by Borrower of any notice, claim or demand from any Governmental Authority which alleges that Borrower is in material violation of any of the terms of, or has failed to comply with any applicable Laws regulating its operation and business, including, but not limited to, the Occupational Safety and Health Act and the Environmental Protection Act; and

(g) any other development in the business or affairs of Borrower that may be materially adverse;

in each case describing in detail satisfactory to Lender the nature thereof and the action Borrower proposes to take with respect thereto.

#### 6.1.10 Hazardous Materials: Contamination.

Borrower agrees to:

(a) give notice to Lender immediately upon Borrower's acquiring knowledge of the presence of any Hazardous Materials or any Hazardous Materials Contamination on any property owned, operated or controlled by Borrower or for which Borrower is, or is claimed to be, responsible (provided that such notice shall not be required for Hazardous Materials placed or stored on such property in accordance with applicable Laws in the ordinary course (including, without limitation, quantity) of Borrower's line of business expressly described in this Agreement), with a full description thereof;

(b) promptly comply with any Laws requiring the removal, treatment or disposal of Hazardous Materials or Hazardous Materials Contamination and provide Lender with satisfactory evidence of such compliance;

(c) provide Lender, within thirty (30) days after a demand by Lender, with a bond, letter of credit or similar financial assurance evidencing to Lender's satisfaction that the necessary funds are available to pay the cost of removing, treating, and disposing of such Hazardous Materials or Hazardous Materials Contamination and discharging any Lien which may be established as a result thereof on any property owned, operated or controlled by Borrower or for which Borrower is, or is claimed to be, responsible; and

(d) as part of the Obligations, defend, indemnify and hold harmless Lender and its agents, employees, trustees, successors and assigns from any and all claims which may now or in the future (whether before or after the termination of this Agreement) be asserted as a result of the presence of any Hazardous Materials or any Hazardous Materials Contamination on any property owned, operated or controlled by Borrower or for which Borrower is, or is claimed to be, responsible. Borrower

acknowledges and agrees that this indemnification shall survive the termination of this Agreement and the payment and performance of all of the other Obligations.

#### **6.1.11 Defense of Title and Further Assurances.**

At its expense, Borrower will defend the title to the Collateral (and any part thereof), and will immediately execute, acknowledge and deliver any renewal, affidavit, deed, assignment, security agreement, certificate or other document which Lender may require in order to perfect, preserve, maintain, continue, protect and/or extend the Lien granted to Lender under this Agreement or under any of the other Financing Documents and the first priority of that Lien, subject only to the Permitted Liens. Borrower hereby authorizes the filing of any financing statement or continuation statement required under the Uniform Commercial Code. Borrower will from time to time do whatever Lender may require by way of obtaining, executing, delivering, and/or filing landlords' or mortgagees' or bailees' waivers, notices of assignment and other notices and amendments and renewals thereof, and Borrower will take any and all steps and observe such formalities as Lender may require, in order to create and maintain a valid Lien upon, pledge of, or paramount security interest in, the Collateral, subject to the Permitted Liens. Borrower shall pay to Lender on demand all taxes, costs and expenses incurred by Lender in connection with the preparation, execution, recording and filing of any such document or instrument. To the extent that the proceeds of any of the Accounts of Borrower are expected to become subject to the control of, or in the possession of, a party other than Borrower or Lender, Borrower shall cause all such parties to execute and deliver on the Closing Date security documents or other documents as requested by Lender and as may be necessary to evidence and/or perfect the security interest of Lender in those proceeds. Borrower hereby irrevocably appoints Lender as Borrower's attorney-in-fact, with power of substitution, in the name of Lender or in the name of Borrower or otherwise, for the use and benefit of Lender, but at the cost and expense of Borrower and without notice to Borrower, to execute and deliver any and all of the instruments and other documents and take any action which Lender may require pursuant the foregoing provisions of this Section 6.1.11.

#### 6.1.12 Business Names: Locations.

Borrower will notify Lender not less than thirty (30) days prior to (a) any change in the name under which Borrower conducts its business, (b) any change of the location of the chief executive office of Borrower, and (c) any change in the location of the places where the Collateral, or any part thereof, or the books and records, or any part thereof, are kept.

### 6.1.13 Deposit Accounts.

Borrower shall maintain with Lender all of its deposit accounts other than deposit accounts required by law, regulation or operational necessity to be maintained elsewhere, which other accounts are identified in Schedule 6.1.13 attached hereto and made a part hereof, and Borrower shall notify Lender prior to opening any

deposit account with any Person other than Lender. Promptly upon its receipt of any funds constituting revenues arising out of its fundraising efforts, Borrower shall deposit all such funds in the appropriate separate demand deposit accounts at Lender or as identified in the Schedule 6.1.13.

Section 6.2 Negative Covenants.

So long as any of the Obligations shall be outstanding hereunder, Borrower agrees with Lender as follows:

6.2.1 Structure, Dissolution or Sale of Assets.

Borrower will not windup or dissolve itself (or suffer any liquidation or dissolution) or acquire all or substantially all the assets of any Person, or sell, lease or otherwise dispose of any of its assets. Any consent of Lender to the disposition of any assets may be conditioned on a specified use of the proceeds of disposition.

6.2.2 Subsidiaries.

Borrower will not create or acquire any Subsidiaries.

6.2.3 Indebtedness.

Borrower will not create, incur, assume or suffer to exist any Indebtedness for Borrowed Money except:

- (a) the Obligations;
- (b) accounts payable arising in the ordinary course;
- (c) Indebtedness secured by Permitted Liens;
- (d) Subordinated Indebtedness; and
- (e) Indebtedness of Borrower existing on the date hereof and reflected on the financial statements furnished pursuant to Section 4.1.11 (Financial Condition).

6.2.4 Investments, Loans and Other Transactions.

Except as otherwise provided in this Agreement, Borrower will not (a) make, assume, acquire or continue to hold any investment in any real property (unless used in connection with its business and treated as a Fixed or Capital Asset of Borrower) or any Person, whether by stock purchase, capital contribution, acquisition of indebtedness of such Person or otherwise (including, without limitation, investments in

any joint venture or partnership), (b) guaranty or otherwise become contingently liable for the Indebtedness or obligations of any Person, or (c) make any loans or advances, or otherwise extend credit to any Person, except:

(a) any advance to an officer or employee of Borrower for travel or other business expenses in the ordinary course of business, provided that the aggregate amount of all such advances by Borrower outstanding at any time shall not exceed Two Thousand Five Hundred Dollars (\$2,500);

(b) the endorsement of negotiable instruments for deposit or collection or similar transactions in the ordinary course of business; and

(c) any investment in Cash Equivalents, which are pledged to Lender as collateral and security for the Obligations.

#### 6.2.5 Subordinated Indebtedness

Borrower will not make:

(a) any payment of principal of, or interest on, any of the Subordinated Indebtedness, if a Default or an Event of Default then exists hereunder or would result from such payment;

(b) any payment of the principal or interest due on the Subordinated Indebtedness as a result of acceleration thereunder or a mandatory prepayment thereunder;

(c) any amendment or modification of or supplement to the documents evidencing or securing the Subordinated Indebtedness; or

(d) payment of principal or interest on the Subordinated Indebtedness other than when due (without giving effect to any acceleration of maturity or mandatory prepayment).

#### 6.2.6 Liens; Confessed Judgment

Borrower agrees that it (a) will not create, incur, assume or suffer to exist any Lien upon any of its properties or assets, whether now owned or hereafter acquired except for Liens securing the Obligations and Permitted Liens, (b) will not agree to, assume or suffer to exist any provision in any instrument or other document for confession of judgment, cognovit or other similar right or remedy, (c) will not allow or suffer to exist any Permitted Liens to be superior to Liens securing the Obligations, (d) will not enter into any contracts for the consignment of goods, will not execute or suffer the filing of any financing statements or the posting of any signs giving notice of consignments, and will not, as a material part of its business, engage in the sale of goods belonging to others, and (e) will not allow or suffer to exist the failure of any Lien



described in the Security Documents to attach to, and/or remain at all times perfected on, any of the property described in the Security Documents.

6.2.7 Other Businesses.

Borrower will not engage directly or indirectly in any business other than its current line of business described elsewhere in this Agreement.

6.2.8 Prohibition on Hazardous Materials.

Borrower shall not place, manufacture or store or permit to be placed, manufactured or stored any Hazardous Materials on any property owned, operated or controlled by Borrower or for which Borrower is responsible other than Hazardous Materials placed or stored on such property in accordance with applicable Laws in the ordinary course of Borrower's business expressly described in this Agreement.

6.2.9 Method of Accounting; Fiscal Year.

Borrower will not:

(a) change the method of accounting employed in the preparation of any financial statements furnished to Lender under the provisions of Section 6.1.1 (Financial Statements), unless required to conform to GAAP and on the condition that Borrower's accountants shall furnish such information as Lender may request to reconcile the changes with Borrower's prior financial statements.

(b) change its fiscal year from a year ending on December 31.

6.2.10 Change of Location; Transfer of Collateral.

Borrower will not remove its office and principal place of business from the State and shall not transfer, or permit the transfer, to another location of any of the Collateral or the books and records related to any of the Collateral, without the prior written consent of Lender.

6.2.11 Sale and Leaseback.

Borrower will not directly or indirectly enter into any arrangement to sell or transfer all or any substantial part of its fixed assets and thereupon or within one (1) year thereafter rent or lease the assets so sold or transferred.

6.2.12 Disposition of Collateral.

Borrower will not sell, discount, allow credits or allowances,

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transfer, assign, extend the time for payment on, convey, lease, assign, transfer or otherwise dispose of the Collateral, except, prior to an Event of Default, dispositions expressly permitted elsewhere in this Agreement and the sale of unnecessary or obsolete Equipment, but only if the proceeds of the sale of such Equipment are (a) used to purchase similar Equipment to replace the unnecessary or obsolete Equipment or (b) immediately turned over to Lender for application to the Obligations in accordance with the provisions of this Agreement.

## ARTICLE VII DEFAULT AND RIGHTS AND REMEDIES

### Section 7.1 Events of Default.

The occurrence of any one or more of the following events shall constitute an "Event of Default" under the provisions of this Agreement:

#### 7.1.1 Failure to Pay.

The failure of Borrower to pay any of the Obligations as and when due and payable in accordance with the provisions of this Agreement, the Notes and/or any of the other Financing Documents.

#### 7.1.2 Breach of Representation and Warranties.

Any representation or warranty made in this Agreement or in any report, statement, schedule, certificate, opinion (including any opinion of counsel for Borrower), financial statement or other document furnished in connection with this Agreement, any of the other Financing Documents, or the Obligations, shall prove to have been false or misleading when made (or, if applicable, when reaffirmed) in any material respect.

#### 7.1.3 Failure to Comply with Covenants.

The failure of Borrower to perform, observe or comply with any covenant, condition or agreement contained in this Agreement.

#### 7.1.4 Default Under Other Financing Documents or Obligations.

A default shall occur under any of the other Financing Documents or under any other Obligations, and such default is not cured within any applicable grace period provided therein.

#### 7.1.5 Receiver; Bankruptcy.

Borrower shall (a) apply for or consent to the appointment of a

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receiver, trustee or liquidator of itself or any of its property, (b) admit in writing its inability to pay its debts as they mature, (c) make a general assignment for the benefit of creditors, (d) be adjudicated a bankrupt or insolvent, (e) file a voluntary petition in bankruptcy or a petition or an answer seeking or consenting to reorganization or an arrangement with creditors or to take advantage of any bankruptcy, reorganization, insolvency, readjustment of debt, dissolution or liquidation law or statute, or an answer admitting the material allegations of a petition filed against it in any proceeding under any such law, or take corporate action for the purposes of effecting any of the foregoing, or (f) by any act indicate its consent to, approval of or acquiescence in any such proceeding or the appointment of any receiver of or trustee for any of its property, or suffer any such receivership, trusteeship or proceeding to continue undischarged for a period of sixty (60) days, or (g) by any act indicate its consent to, approval of or acquiescence in any order, judgment or decree by any court of competent jurisdiction or any Governmental Authority enjoining or otherwise prohibiting the operation of a material portion of Borrower's business or the use or disposition of a material portion of Borrower's assets.

#### 7.1.6 Involuntary Bankruptcy, etc.

(a) An order for relief shall be entered in any involuntary case brought against Borrower under the Bankruptcy Code, or (b) any such case shall be commenced against Borrower and shall not be dismissed within sixty (60) days after the filing of the petition, or (c) an order, judgment or decree under any other Law is entered by any court of competent jurisdiction or by any other Governmental Authority on the application of a Governmental Authority of a Person other than Borrower (i) adjudicating Borrower bankrupt or insolvent, or (ii) appointing a receiver, trustee or liquidator of Borrower or of a material portion of Borrower's assets, or (iii) enjoining, prohibiting or otherwise limiting the operation of a material portion of Borrower's business or the use or disposition of a material portion of Borrower's assets, and such order, judgment or decree continues unstayed and in effect for a period of thirty (30) days from the date entered.

#### 7.1.7 Judgment.

Unless adequately insured in the opinion of Lender, the entry of a final judgment for the payment of money involving more than \$100,000 against Borrower, and the failure by Borrower to discharge the same, or cause it to be discharged, within thirty (30) days from the date of the order, decree or process under which or pursuant to which such judgment was entered, or to secure a stay of execution pending appeal of such judgment.

#### 7.1.8 Execution; Attachment.

Any execution or attachment shall be levied against the Collateral, or any part thereof, and such execution or attachment shall not be set aside, discharged or stayed within thirty (30) days after the same shall have been levied.

7.1.9 Default Under Other Borrowings.

Default shall be made with respect to any Indebtedness for Borrowed Money (other than the Term Loan) if the default is a failure to pay at maturity or if the effect of such default is to accelerate the maturity of such Indebtedness for Borrowed Money or to permit the holder or obligee thereof or other party thereto to cause such Indebtedness for Borrowed Money to become due prior to its stated maturity.

7.1.10 Material Adverse Change.

Lender in its sole discretion determines in good faith that a material adverse change has occurred in the financial condition of Borrower.

7.1.11 Impairment of Position.

Lender, in its sole discretion, determines in good faith that an event has occurred which impairs the prospect of payment of any of the Obligations and/or the value of the Collateral.

7.1.12 Collateral Inadequacy.

The determination in good faith by Lender that the security for the Obligations is inadequate.

7.1.13 Swap Default.

An event occurs which gives Lender the right or option to terminate any Swap Contract which is secured by the Collateral.

Section 7.2 Remedies.

Upon the occurrence of any Event of Default, Lender may, in the exercise of its sole and absolute discretion from time to time, at any time thereafter exercise any one or more of the following rights, powers or remedies:

7.2.1 Acceleration.

Lender may declare any or all of the Obligations to be immediately due and payable, notwithstanding anything contained in this Agreement or in any of the other Financing Documents to the contrary, without presentment, demand, protest, notice of protest or of dishonor, or other notice of any kind, all of which Borrower hereby waives.

7.2.2 Further Advances.

Lender may from time to time without notice to Borrower suspend,

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terminate or limit any further advances, loans or other extensions of credit under this Agreement and/or under any of the other Financing Documents. Further, upon the occurrence of an Event of Default or Default specified in Section 7.1.5 (Receiver, Bankruptcy) or Section 7.1.6 (Involuntary Bankruptcy, etc.), the unpaid principal amount of the Term Note (with accrued interest thereon) and all other Obligations then outstanding, shall immediately become due and payable without further action of any kind and without presentment, demand, protest or notice of any kind, all of which are hereby expressly waived by Borrower.

### 7.2.3 Uniform Commercial Code.

Lender shall have all of the rights and remedies of a secured party under the applicable Uniform Commercial Code and other applicable Laws. Upon demand by Lender, Borrower shall assemble the Collateral and make it available to Lender, at a place designated by Lender. Lender or its agents may without notice from time to time enter upon Borrower's premises to take possession of the Collateral, to remove it, to render it unusable, to process it or otherwise prepare it for sale, or to sell or otherwise dispose of it. Any written notice of the sale, disposition or other intended action by Lender with respect to the Collateral which is sent by regular mail, postage prepaid, to Borrower at the address set forth in Section 8.1 (Notices), or such other address of Borrower which may from time to time be shown on Lender's records, at least ten (10) days prior to such sale, disposition or other action, shall constitute commercially reasonable notice to Borrower. Lender may alternatively or additionally give such notice in any other commercially reasonable manner. Nothing in this Agreement shall require Lender to give any notice not required by applicable Laws.

If any consent, approval, or authorization of any state, municipal or other Governmental Authority or of any other Person or of any Person having any interest therein, should be necessary to effectuate any sale or other disposition of the Collateral, Borrower agrees to execute all such applications and other instruments, and to take all other action, as may be required in connection with securing any such consent, approval or authorization.

Borrower recognizes that Lender may be unable to effect a public sale of all or a part of the Collateral consisting of Investment Property by reason of certain prohibitions contained in the Securities Act of 1933, as amended, and other applicable Federal and state Laws. Lender may, therefore, in its discretion, take such steps as it may deem appropriate to comply with such Laws and may, for example, at any sale of the Collateral consisting of securities restrict the prospective bidders or purchasers as to their number, nature of business and investment intention, including, without limitation, a requirement that the Persons making such purchases represent and agree to the satisfaction of Lender that they are purchasing such securities for their account, for investment, and not with a view to the distribution or resale of any thereof. Borrower covenants and agrees to do or cause to be done promptly all such acts and things as Lender may request from time to time and as may be necessary to offer and/or sell the securities or any part thereof in a manner which is valid and binding and in conformance

with all applicable Laws. Upon any such sale or disposition, Lender shall have the right to deliver, assign and transfer to the purchaser thereof the Collateral consisting of securities so sold.

#### 7.2.4 Specific Rights With Regard to Collateral.

In addition to all other rights and remedies provided hereunder or as shall exist at law or in equity from time to time, Lender may (but shall be under no obligation to), without notice to Borrower, and Borrower hereby irrevocably appoints Lender as its attorney-in-fact, with power of substitution, in the name of Lender and/or in the name of Borrower or otherwise, for the use and benefit of Lender, but at the cost and expense of Borrower and without notice to Borrower:

(a) request any Person obligated on any of the Accounts to make payments thereon directly to Lender, with Lender taking control of the Proceeds thereof;

(b) copy, transcribe, or remove from any place of business of Borrower all books, records, ledger sheets, correspondence, invoices and documents, relating to or evidencing any of the Collateral or without cost or expense to Lender, make such use of Borrower's place(s) of business as may be reasonably necessary to administer, control and collect the Collateral;

(c) institute and prosecute legal and equitable proceedings to enforce collection of, or realize upon, any of the Collateral;

(d) endorse or sign the name of Borrower upon any Items of Payment, certificates of title, installments, Investment Property, stock powers, documents, documents of title, financing statements, assignments, notices, or other writing relating to or part of the Collateral and on any proof of claim in bankruptcy against any Person;

(e) notify the Post Office authorities to change the address for the delivery of mail to Borrower to such address or Post Office Box as Lender may designate and receive and open all mail addressed to Borrower; and

(f) take any other action necessary or beneficial to realize upon or dispose of the Collateral or to carry out the terms of this Agreement.

#### 7.2.5 Application of Proceeds.

Any proceeds of sale or other disposition of the Collateral will be applied by Lender to the payment first of any and all Enforcement Costs, and any balance of such proceeds will be applied to the Obligations in such order and manner as Lender shall determine. If the sale or other disposition of the Collateral fails to fully satisfy the Obligations, Borrower shall remain liable to Lender for any deficiency. Notwithstanding



any provision contained herein to the contrary, no Proceeds shall be applied in a manner that would violate the FEC Act or regulations thereunder.

#### 7.2.6 Performance by Lender.

Lender, without notice to or demand upon Borrower and without waiving or releasing any of the Obligations or any Default or Event of Default, may (but shall be under no obligation to) at any time thereafter make such payment or perform such act for the account and at the expense of Borrower, and may enter upon the premises of Borrower for that purpose and take all such action thereon as Lender may consider necessary or appropriate for such purpose and Borrower hereby irrevocably appoints Lender as its attorney-in-fact to do so, with power of substitution, in the name of Lender, in the name of Borrower or otherwise, for the use and benefit of Lender, but at the cost and expense of Borrower and without notice to Borrower. All sums so paid or advanced by Lender together with interest thereon from the date of payment, advance or incurring until paid in full at the Post-Default Rate and all costs and expenses, shall be deemed part of the Enforcement Costs, shall be paid by Borrower to Lender on demand, and shall constitute and become a part of the Obligations.

#### 7.2.7 Other Remedies.

Lender may from time to time proceed to protect or enforce its rights by an action or actions at law or in equity or by any other appropriate proceeding, whether for the specific performance of any of the covenants contained in this Agreement or in any of the other Financing Documents, or for an injunction against the violation of any of the terms of this Agreement or any of the other Financing Documents, or in aid of the exercise or execution of any right, remedy or power granted in this Agreement, the Financing Documents, and/or applicable Laws. Lender is authorized to offset and apply to all or any part of the Obligations all moneys, credits and other property of any nature whatsoever of Borrower now or at any time hereafter in the possession of, in transit to or from, under the control or custody of, or on deposit with, Lender or any Affiliate of Lender.

### ARTICLE VIII MISCELLANEOUS

#### Section 8.1 Notices.

All notices, requests and demands to or upon the parties to this Agreement shall be in writing and shall be deemed to have been given or made when delivered by hand on a Business Day, or two (2) days after the date when deposited in the mail, postage repaid by registered or certified mail, return receipt requested, or when sent by overnight courier, on the Business Day next following the day on which the notice is delivered to such overnight courier, addressed as follows:

Borrower: Democratic Congressional Campaign Committee, Inc.  
430 South Capitol Street, SE, 2<sup>nd</sup> Floor  
Washington, D.C. 20003

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Attention: John Lapp

Lender: Bank of America, N.A.  
730 15<sup>th</sup> Street, NW  
Washington, D.C. 20005  
Attention: Camille A. Dawson

By written notice, each party to this Agreement may change the address to which notice is given to that party, provided that such changed notice shall include a street address to which notices may be delivered by overnight courier in the ordinary course on any Business Day.

Section 8.2 Amendments; Waivers.

This Agreement and the other Financing Documents may not be amended, modified, or changed in any respect except by an agreement in writing signed by Lender and Borrower. No waiver of any provision of this Agreement or of any of the other Financing Documents, nor consent to any departure by Borrower therefrom shall in any event be effective unless the same shall be in writing signed by Lender. No course of dealing between Borrower and Lender and no act or failure to act from time to time on the part of Lender shall constitute a waiver, amendment or modification of any provision of this Agreement or any of the other Financing Documents or any right or remedy under this Agreement, under any of the other Financing Documents or under applicable Laws.

Section 8.3 Cumulative Remedies.

The rights, powers and remedies provided in this Agreement and in the other Financing Documents are cumulative, may be exercised concurrently or separately, may be exercised from time to time and in such order as Lender shall determine, subject to the provisions of this Agreement, and are in addition to, and not exclusive of, rights, powers and remedies provided by existing or future applicable Laws. In order to entitle Lender to exercise any remedy reserved to it in this Agreement, it shall not be necessary to give any notice, other than such notice as may be expressly required in this Agreement.

Section 8.4 Severability.

In case one or more provisions, or part thereof, contained in this Agreement or in the other Financing Documents shall be invalid, illegal or unenforceable in any respect under any Law, then without need for any further agreement, notice or action:

(a) the validity, legality and enforceability of the remaining provisions shall remain effective and binding on the parties thereto and shall not be affected or impaired thereby;

(b) the obligation to be fulfilled shall be reduced to the limit of such validity;

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(c) if such provision or part thereof pertains to repayment of the Obligations, then, at the sole and absolute discretion of Lender, all of the Obligations of Borrower to Lender shall become immediately due and payable; and

(d) if the affected provision or part thereof does not pertain to repayment of the Obligations, but operates or would prospectively operate to invalidate this Agreement in whole or in part, then such provision or part thereof only shall be void, and the remainder of this Agreement shall remain operative and in full force and effect.

#### Section 8.5 Assignments by Lender.

Lender may, without notice to or consent of Borrower, assign to any Person (each an "Assignee" and collectively, the "Assignees") all or a portion of Lender's Term Loan Commitment. Lender and its Assignee shall notify Borrower in writing of the date on which the assignment is to be effective (the "Adjustment Date"). On or before the Adjustment Date, Lender, Borrower and the Assignee shall execute and deliver a written assignment agreement in a form acceptable to Lender, which shall constitute an amendment to this Agreement to the extent necessary to reflect such assignment. Upon the request of Lender following an assignment made in accordance with this Section 8.5, Borrower shall issue new Notes to Lender and its Assignee reflecting such assignment, in exchange for the existing Notes held by Lender. In addition, notwithstanding the foregoing, Lender may at any time pledge all or any portion of Lender's rights under this Agreement, the Term Loan Commitment or any of the Obligations to a Federal Reserve Bank.

#### Section 8.6 Participations by Lender.

Lender may at any time sell to one or more financial institutions participating interests in any of Lender's Obligations or the Term Loan Commitment; provided, however, that (a) no such participation shall relieve Lender from its obligations under this Agreement or under any of the other Financing Documents to which it is a party, (b) Lender shall remain solely responsible for the performance of its obligations under this Agreement and under all of the other Financing Documents to which it is a party, and (c) Borrower shall continue to deal solely and directly with Lender in connection with Lender's rights and obligations under this Agreement and the other Financing Documents.

#### Section 8.7 Disclosure of Information by Lender.

In connection with any sale, transfer, assignment or participation by Lender in accordance with Section 8.5 (Assignments by Lender) or Section 8.6 (Participations by Lender), Lender shall have the right to disclose to any actual or potential purchaser, assignee, transferee or participant all financial records, information, reports, financial statements and documents obtained in connection with this Agreement and/or any of the other Financing Documents or otherwise.

Section 8.8 Successors and Assigns.

This Agreement and all other Financing Documents shall be binding upon and inure to the benefit of Borrower and Lender and their respective successors and assigns, except that Borrower shall not have the right to assign its rights hereunder or any interest herein without the prior written consent of Lender.

Section 8.9 Continuing Agreements.

All covenants, agreements, representations and warranties made by Borrower in this Agreement, in any of the other Financing Documents and in any certificate delivered pursuant hereto or thereto shall survive the making by Lender of the Term Loan and the execution and delivery of the Notes, shall be binding upon Borrower regardless of how long before or after the date hereof any of the Obligations were or are incurred, and shall continue in full force and effect so long as any of the Obligations are outstanding and unpaid. From time to time upon Lender's request, and as a condition of the release of any one or more of the Security Documents, Borrower and other Persons obligated with respect to the Obligations shall provide Lender with such acknowledgments and agreements as Lender may require to the effect that there exists no defenses, rights of setoff or recoupment, claims, counterclaims, actions or causes of action of any kind or nature whatsoever against Lender and/or any of its agents and others, or to the extent there are, the same are waived and released.

Section 8.10 Enforcement Costs.

Borrower shall pay to Lender on demand all Enforcement Costs, together with interest thereon from the date incurred or advanced until paid in full at a per annum rate of interest equal at all times to the Post-Default Rate. Enforcement Costs shall be immediately due and payable at the time advanced or incurred, whichever is earlier. Without implying any limitation on the foregoing, Borrower shall pay, as part of the Enforcement Costs, upon demand any and all stamp and other Taxes and fees payable or determined to be payable in connection with the execution and delivery of this Agreement and the other Financing Documents and to save Lender harmless from and against any and all liabilities with respect to or resulting from any delay in paying or omission to pay any Taxes or fees referred to in this Section. The provisions of this Section shall survive the execution and delivery of this Agreement, the repayment of the other Obligations and shall survive the termination of this Agreement.

Section 8.11 Applicable Law: Jurisdiction.

8.11.1 Applicable Law.

Borrower acknowledges and agrees that the Financing Documents, including, this Agreement, shall be governed by the Laws of the State, as if each of the Financing Documents and this Agreement had each been executed, delivered,

administered and performed solely within the State even though for the convenience and at the request of Borrower, one or more of the Financing Documents may be executed elsewhere. Lender acknowledges, however, that remedies under certain of the Financing Documents that relate to property outside the State may be subject to the laws of the state in which the property is located

#### 8.11.2 Submission to Jurisdiction.

Borrower irrevocably submits to the jurisdiction of any state or federal court sitting in the State over any suit, action or proceeding arising out of or relating to this Agreement or any of the other Financing Documents. Borrower irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding brought in any such court and any claim that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum. Final judgment in any such suit, action or proceeding brought in any such court shall be conclusive and binding upon Borrower and may be enforced in any court in which Borrower is subject to jurisdiction, by a suit upon such judgment, provided that service of process is effected upon Borrower in one of the manners specified in this Section or as otherwise permitted by applicable Laws.

#### 8.11.3 Service of Process.

Borrower hereby consents to process being served in any suit, action or proceeding of the nature referred to in this Section by (a) the mailing of a copy thereof by registered or certified mail, postage prepaid, return receipt requested, to Borrower at Borrower's address designated in or pursuant to Section 8.1 (Notices), and (b) serving a copy thereof upon the agent, if any, designated and appointed by Borrower as Borrower's agent for service of process by or pursuant to this Section. Borrower irrevocably agrees that such service shall be deemed in every respect effective service of process upon Borrower in any such suit, action or proceeding, and shall, to the fullest extent permitted by law, be taken and held to be valid personal service upon Borrower. Nothing in this Section shall affect the right of Lender to serve process in any manner otherwise permitted by law or limit the right of Lender otherwise to bring proceedings against Borrower in the courts of any jurisdiction or jurisdictions.

#### Section 8.12 Duplicate Originals and Counterparts.

This Agreement may be executed in any number of duplicate originals or counterparts, each of such duplicate originals or counterparts shall be deemed to be an original and all taken together shall constitute but one and the same instrument.

#### Section 8.13 Headings.

The headings in this Agreement are included herein for convenience only, shall not constitute a part of this Agreement for any other purpose, and shall not be deemed to affect the meaning or construction of any of the provisions hereof.



Section 8.14 No Agency.

Nothing herein contained shall be construed to constitute Borrower as Lender's agent for any purpose whatsoever or to permit Borrower to pledge any of the credit of Lender. Lender shall not be responsible or liable for any shortage, discrepancy, damage, loss or destruction of any part of the Collateral wherever the same may be located and regardless of the cause thereof. Lender shall not, by anything herein or in any of the Financing Documents or otherwise, assume any of Borrower's obligations under any contract or agreement assigned to Lender, and Lender shall not be responsible in any way for the performance by Borrower of any of the terms and conditions thereof.

Section 8.15 Date of Payment.

Should the principal of or interest on the Notes become due and payable on other than a Business Day, the maturity thereof shall be extended to the next succeeding Business Day and in the case of principal, interest shall be payable thereon at the rate per annum specified in the Notes during such extension.

Section 8.16 Entire Agreement.

This Agreement is intended by Lender and Borrower to be a complete, exclusive and final expression of the agreements contained herein. Neither Lender nor Borrower shall hereafter have any rights under any prior agreements pertaining to the matters addressed by this Agreement but shall look solely to this Agreement for definition and determination of all of their respective rights, liabilities and responsibilities under this Agreement.

Section 8.17 Waiver of Trial by Jury.

**BORROWER AND LENDER HEREBY JOINTLY AND SEVERALLY WAIVE TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO WHICH BORROWER AND LENDER MAY BE PARTIES. ARISING OUT OF OR IN ANY WAY PERTAINING TO (A) THIS AGREEMENT, (B) ANY OF THE FINANCING DOCUMENTS, OR (C) THE COLLATERAL. THIS WAIVER CONSTITUTES A WAIVER OF TRIAL BY JURY OF ALL CLAIMS AGAINST ALL PARTIES TO SUCH ACTIONS OR PROCEEDINGS, INCLUDING CLAIMS AGAINST PARTIES WHO ARE NOT PARTIES TO THIS AGREEMENT.**

This waiver is knowingly, willingly and voluntarily made by Borrower and Lender, and Borrower and Lender hereby represent that no representations of fact or opinion have been made by any individual to induce this waiver of trial by jury or to in any way modify or nullify its effect. Borrower and Lender further represent that they have been represented in the signing of this Agreement and in the making of this waiver



by independent legal counsel, selected of their own free will, and that they have had the opportunity to discuss this waiver with counsel.

**Section 8.18 Liability of Lender.**

Borrower hereby agrees that Lender shall not be chargeable for any negligence, mistake, act or omission of any accountant, examiner, agency or attorney employed by Lender in making examinations, investigations or collections, or otherwise in perfecting, maintaining, protecting or realizing upon any lien or security interest or any other interest in the Collateral or other security for the Obligations.

By inspecting the Collateral or any other properties of Borrower or by accepting or approving anything required to be observed, performed or fulfilled by Borrower or to be given to Lender pursuant to this Agreement or any of the other Financing Documents, Lender shall not be deemed to have warranted or represented the condition, sufficiency, legality, effectiveness or legal effect of the same, and such acceptance or approval shall not constitute any warranty or representation with respect thereto by Lender.

**Section 8.19 Indemnification.**

Borrower agrees to indemnify and hold harmless, Lender, Lender's parent and Affiliates and Lender's, parent's and Affiliates' officers, directors, shareholders, employees and agents (each an "Indemnified Party," and collectively, the "Indemnified Parties"), from and against any and all claims, liabilities, losses, damages, costs and expenses (whether or not such Indemnified Party is a party to any litigation), including without limitation, reasonable attorney's fees and costs and costs of investigation, document production, attendance at depositions or other discovery, incurred by any Indemnified Party with respect to, arising out of or as a consequence of (a) this Agreement or any of the other Financing Documents, including without limitation, any failure of Borrower to pay when due (at maturity, by acceleration or otherwise) any principal, interest, fee or any other amount due under this Agreement or the other Financing Documents, or any other Event of Default; (b) the use by Borrower of any proceeds advanced hereunder; (c) the transactions contemplated hereunder; or (d) any claim, demand, action or cause of action being asserted against (i) Borrower or any of its Affiliates by any other Person, or (ii) any Indemnified Party by Borrower in connection with the transactions contemplated hereunder. Notwithstanding anything herein or elsewhere to the contrary, Borrower shall not be obligated to indemnify or hold harmless any Indemnified Party from any liability, loss or damage resulting from the gross negligence, willful misconduct or unlawful actions of such Indemnified Party. Any amount payable to Lender under this Section will bear interest at the Post-Default Rate from the due date until paid.

IN WITNESS WHEREOF, each of the parties hereto have executed and delivered this Agreement under their respective seals as of the day and year first written above.

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WITNESS OR ATTEST:

*[Signature]*

DEMOCRATIC CONGRESSIONAL  
CAMPAIGN COMMITTEE, INC.

By: *[Signature]* (Seal)

Name: John Lapp  
Title: President

WITNESS:

*[Signature]*

BANK OF AMERICA, N.A.

*[Signature]*

Name: Camille A. Dawson  
Title: Vice President

Federal Election Commission  
**ENVELOPE REPLACEMENT PAGE FOR INCOMING DOCUMENTS**  
The FEC added this page to the end of this filing to indicate how it was received.

<input checked="" type="checkbox"/> Hand Delivered	Date of Receipt <i>12-7-06</i>
--	-----------------------------------

<input type="checkbox"/> USPS First Class Mail	Postmarked
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<input type="checkbox"/> USPS Registered/Certified	Postmarked (R/C)
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<input type="checkbox"/> USPS Priority Mail	Postmarked
Delivery Confirmation™ or Signature Confirmation™ Label <input type="checkbox"/>	

<input type="checkbox"/> USPS Express Mail	Postmarked
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☐ Postmark Illegible

☐ No Postmark

<input type="checkbox"/> Overnight Delivery Service (Specify):	Shipping Date
Next Business Day Delivery <input type="checkbox"/>	

<input type="checkbox"/> Received from House Records & Registration Office	Date of Receipt
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<input type="checkbox"/> Received from Senate Public Records Office	Date of Receipt
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<input type="checkbox"/> Received from Electronic Filing Office	Date of Receipt
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<input type="checkbox"/> Other (Specify):	Date of Receipt or Postmarked
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<i>Jms</i> PREPARER	<i>12-7-06</i> DATE PREPARED
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